

# MINUTES OF REGIONAL RESOURCE STEWARDSHIP COUNCIL MEETING

June 22, 2000  
Memphis, Tennessee

## Present

1. Mr. Lee Baker
2. Mr. Jimmy Barnett
3. Mr. Austin Carroll
4. Mr. Phil Comer
5. Ms. Ann Coulter
6. Mr. Jim Creighton (Council Consultant)
7. Mr. Bill Forsyth
8. Mayor Thomas Griffith
9. Ms. Julie Hardin
10. Dr. Kathryn J. Jackson (DFO)
11. Mr. Al Mann
12. Mr. Bob Matheny
13. Ms. Miles Mennell
14. Mr. Herman Morris, Jr.
15. Mr. W. C. Nelson
16. Ms. Elaine Patterson
17. Mr. Bruce Shupp
18. Mayor Eddie L. Smith, Jr. (Council Chair)
19. Dr. Stephen A. Smith
20. Mr. Jim Sutphin
21. Dr. Paul F. Teague

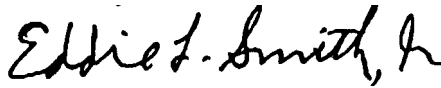
## Absent

1. Senator Roger Bedford, Jr.

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1. Transcript
2. Overheads: TVA Briefing - River Management
3. Overheads: Lake Improvement & Plan of 1991
4. Overheads: National Recreation Lakes Study Briefing

Approved by



Chair

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## REGIONAL RESOURCE STEWARDSHIP COUNCIL MEETING

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JUNE 22, 2000

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1 REGIONAL RESOURCE STEWARDSHIP COUNCIL  
2  
3 MAYOR EDDIE L. SMITH, JR. (COUNCIL CHAIR)  
4 SENATOR ROGER BEDFORD, JR.  
5 MR. W. C. NELSON  
6 MR. AL MANN  
7 MAYOR THOMAS GRIFFITH  
8 MR. BILL FORSYTH  
9 MR. HERMAN MORRIS, JR.  
10 MR. JIM SUTPHIN  
11 MS. ELAINE PATTERSON  
12 MR. LEE BAKER  
13 MR. JIMMY BARNETT  
14 MR. AUSTIN CARROLL  
15 MR. BOB MATHENY  
16 MR. PHIL COMER  
17 MS. ANN COULTER  
18 MS. JULIE HARDIN  
19 MS. MILES MENNELL  
20 MR. BRUCE SHUPP  
21 DR. STEPHEN A. SMITH  
22 DR. PAUL F. TEAGUE  
23  
24  
25

1 TENNESSEE VALLEY AUTHORITY REPRESENTATIVE

2 KATE JACKSON, Ph.D  
3 EXECUTIVE VICE PRESIDENT  
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1 P R O C E E D I N G S

2 MAYOR EDDIE SMITH: Let us call this  
3 session to order, and we will proceed with our  
4 program for today. I would like to thank all of you  
5 who are here today for your presence and for the  
6 work that you have been doing as members of the  
7 subcommittees and all of that and for the work that  
8 we will be getting done today.

9 I would like to review the agenda  
10 with you so we will kind of know what we're going to  
11 be doing today. We don't plan to go around the  
12 table this time to get comments from each one as we  
13 did the last time. However, we would like for any  
14 of you who have issues or things you would like to  
15 say to be able to do that somewhere later in the  
16 program.

17 Then I am going to ask Austin to give  
18 us a report on the legislative activities that's  
19 been going on, and then we will have the council  
20 members -- then we will move to the major items of  
21 council business, which is to get reports from the  
22 various subcommittees and to -- which is going to be  
23 the major portion of our work today, getting  
24 ourselves organized and moving ahead with that.  
25 Then we will ask TVA to provide some presentation on

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1 river management and reservoir operation as part of  
2 our educational activities.

3 After that time there will be a  
4 question and answer period before lunch. Whether or  
5 not the council members with questions get answered  
6 before lunch, we will have public comments following  
7 lunch this afternoon. Then after the public  
8 commentary, the council members will -- may ask  
9 questions and so forth.

10 Following this we will get a quick  
11 briefing from the national recreational lake study.  
12 TVA will tell us -- TVA tells me that the results of  
13 this study could have important implications for the  
14 management on TVA reservoirs.

15 If we are on schedule we will adjourn  
16 at 3:30 today. Since we are letting you out a  
17 little early, if we underestimated the time earlier,  
18 we may go a little longer than 3:30, but we will try  
19 to get out by 3:30 today.

20 Okay. Now that -- that's briefly  
21 what we will be doing today. Let me see if any  
22 council members have any things he or she would like  
23 to say about anything you have heard or things  
24 you -- issues you need to do.

25 Anyone?

1 I see everyone is quiet. So I assume  
2 that we do not have anything that we need to say  
3 right now. We will ask Austin to give us an update  
4 on the legislative issues at this time.

5 MR. AUSTIN CARROLL: Thank you,  
6 Mr. Chairman. As you-all will recall at the last  
7 council meeting, we reached a consensus on taking a  
8 little action item relative to the Bunning Amendment  
9 which was to come up before the Senate Energy and  
10 Natural Resources Committee.

11 And what we did was we wrote a letter  
12 to the chairman of that committee, Senator  
13 Murkowski, and we also included a position statement  
14 which was released to the media. And basically, we  
15 were asked -- expressed our concern and asked the  
16 chairman of the committee to at least conduct  
17 hearings in the valley before taking any action on  
18 that, and because of those -- and we did get quite a  
19 bit of press attention with that.

20 Because of that type of thing and  
21 because of lots of other efforts that went on around  
22 the valley, especially from the rest of the valley  
23 congressional delegation, yesterday there was a  
24 meeting of the committee for a markup on the bill  
25 and Senator Bunning elected not to present his

1 amendment. And all that happened yesterday was  
2 there was a bill on transmission reliability that  
3 was voted out of the committee.

4                   So apparently -- or you would assume  
5 that the amendment is dead for this congress. So I  
6 think congratulations are in order for you-all and  
7 for the other people in the valley that worked  
8 diligently to see that this amendment did not  
9 prevail because it was -- it would have been very  
10 damaging to the Tennessee Valley Authority  
11 financially. And, of course, the resource programs  
12 are funded from power funds, and so it would have  
13 also affected the viability of the resource program.

14                   Now, the reason that -- let's review  
15 just a minute. The reason that we reached consensus  
16 on that and took some action there at the last  
17 meeting was that it could be very damaging to the  
18 resource programs of the valley and it was an  
19 imminent concern; in other words, something was  
20 about to happen right away.

21                   I don't think we need to -- my  
22 opinion is that we don't need to be taking those  
23 kind of actions just without a lot of consideration,  
24 but I think it was appropriate we did what we did.  
25 And I think what we did with that and other efforts



1     were effective, so congratulations on that.

2                     Now, to bring you up-to-date on what  
3     else is going on legislatively -- and by the way, I  
4     am going -- I want to thank the committee for all of  
5     their help in putting together the letter and the  
6     statement, and that was Miles, Elaine, and Stephen.  
7     And we all worked together to pretty much put that  
8     thing together before we left at the last session,  
9     and I want to thank you-all for all of your help.

10                    But in a way of other legislative  
11    matters that are stirring, Congressman Frelinghuysen  
12    of New Jersey has introduced a bill in the House,  
13    and I will just read the first part of the bill. It  
14    directs the Secretary of Energy to sell the fossil  
15    fuel and nuclear generation facilities and the  
16    electric power transmission facilities of the  
17    Tennessee Valley Authority and for other purposes.  
18    So, you know, there are other folks intent on doing  
19    damage to TVA in Congress.

20                    However, this bill, although it's got  
21    some press coverage, doesn't seem to -- I don't  
22    think has a life in this Congress. Time is running  
23    out. I don't think anything is imminent, and I  
24    think we should just treat it as a matter of  
25    information and just know that there are things like

1     that continuing to stir.

2                     The other piece of information or the  
3     other thing that has happened is a bill has been  
4     introduced by Congressman Deal of Georgia and  
5     cosponsored by Congressman Taylor of North Carolina,  
6     which requires federally owned lake manager agencies  
7     to treat recreation as an authorized purpose of the  
8     lakes and lake operations and to give recreation  
9     appropriate attention in all agency decisions and  
10    optimize regional opportunities for recreation as  
11    well as other purposes.

12                    So, again, I just wanted you-all to  
13    know that, you know, there is that legislation that  
14    has been introduced. I don't know whether that will  
15    move this congress or not, you know, it's been  
16    dropped in the hopper within the last month. And,  
17    of course, we're kind of early, but we just need to  
18    be aware that those kind of things are being dropped  
19    in legislatively.

20                    Thank you, Mr. Chairman.

21                    MAYOR EDDIE SMITH: Thank you very  
22    much, Austin. We would like to see, is there any  
23    further action that the Council needs to take at  
24    this time on legislation?

25                    MR. AUSTIN CARROLL: Our committee is

1 not recommending any action at this time, but we do  
2 want to thank you for what you did the last time.

3 MAYOR EDDIE SMITH: Okay. So we  
4 would like to thank you and members of the committee  
5 for the fine work you have done to be successful in  
6 trying to help with that division and being  
7 successful, we appreciate that.

8 I understand that we have a guest in  
9 the audience. Let me ask Kate Jackson to introduce  
10 him.

11 DR. KATE JACKSON: Thank you. Kenshi  
12 Baba, a senior researcher with the Central Research  
13 Institute of Electric Power Industry in Japan is  
14 here today. He's in the back. He is in the U.S. to  
15 learn about public involvement processes and help  
16 his institute learn how to move easily to site power  
17 plants in their country. So we welcome him here and  
18 encourage him to talk to Council members during  
19 breaks. You-all have vast experience on public  
20 involvement and public participation. So we're glad  
21 to have you here.

22 MAYOR EDDIE SMITH: Thank you very  
23 much and we welcome him to this session, and we hope  
24 that you will gain some insight on what we're doing  
25 today.

1                   We're now down to subcommittee  
2 actions plan. Let me, first of all, say that Kate  
3 and I have been working together and consulting on  
4 selecting the subcommittee chair persons, and  
5 several things has happened in connection with that.

6                   First of all, Kate has designated TVA  
7 persons to provide coordination with each of the  
8 subcommittees. For the integrated management  
9 subcommittee Kate herself will be involved, as well  
10 as Janet Herrin, vice president of river operations  
11 who you met on -- at our last session.

12                  And also, Ann Wright will be  
13 assisting with that. Ann was the former manager of  
14 the Land Between the Lakes and will now be helping  
15 out with the Council. Ann, would you stand so we  
16 can see who you are? Okay. Thank you very much for  
17 being here.

18                  The public lands management, it will  
19 be Ruben Hernandez, and I think he made a  
20 presentation at our last meeting. He's vice  
21 president of river stewardship.

22                  And for navigation and infrastructure  
23 support, the person will be Gary Brock, who is the  
24 manager of navigation and structures engineering.  
25 Gary, will you stand so we can see who you are?

1 Thank you very much.

2 Okay. And for water quality it will  
3 be John Shipp, general manager of environmental  
4 policies and planning. John, would you stand also  
5 so we will be -- thank you.

6 Ann Wright will also be providing  
7 support for the legislative action working group.

8 The approach that Kate and I have  
9 taken to appointing subcommittee chairs was to make  
10 sure everybody on each subcommittee got a call and  
11 was called so that they would be able to see if they  
12 would be willing to chair the committee.

13 Actually, there was a very high level  
14 of agreement upon all of the chairs, so there will  
15 be no surprises on who the chairs are. In several  
16 cases there are people who are strongly identified  
17 with the particular issues, and the Council members  
18 generally feel these people probably should not  
19 chair because it would be felt that they would not  
20 give proper consideration and be objective and be  
21 neutral on the issues.

22 After this process of consultation,  
23 Kate and I, with your permission, agreed to serve  
24 with -- we determined that the subcommittee chairs  
25 would be as follows: For integrated management

1 Roger Bedford, I don't believe he's here yet today.  
2 For public land management, they do not at this  
3 point desire to have a chair, and so they are kind  
4 of working as a committee as a whole. Navigation  
5 structures is Elaine Patterson -- that's Peterson  
6 rather. Okay. Then for water quality Jimmy  
7 Barnett. Okay. The legislative action and working  
8 group is Austin Carroll, of course.

9 So we appreciate all of you agreeing  
10 to serve as chairs, and I understand that you are  
11 all excited and we will be getting interesting  
12 reports from you right away.

13 For getting the reports from the  
14 subcommittees and actions plans and that sort of  
15 thing, I have asked Jim Creighton to chair this part  
16 of it and be -- so that I may have a chance to be  
17 involved in some of the discussion as well.

18 So at this time, Jim, would you  
19 proceed with the subcommittees?

20 MR. JIM CREIGHTON: Thanks, Eddie. I  
21 have already got feedback this morning that you're  
22 very anxious to get something done this morning, so  
23 we will be driving towards definition.

24 A couple of points before I get  
25 reports from each subcommittee chair. First of all,

1 a reminder that subcommittees are creatures of the  
2 full Council. So you are free to comment on the  
3 plans of the subcommittees. It's better if you're  
4 uncomfortable with the direction they're taking to  
5 comment now than to be disapproving of their results  
6 later on. I will also observe the natural human  
7 reaction that if you critique their plan too much,  
8 they may get even, but that's to be tolerated, we  
9 will survive that.

10 Just a couple of points on  
11 representation. There's a -- one of the challenges  
12 you had or one of the assignments you had was to  
13 talk about whether or not you needed additional  
14 members, and TVA did identify earlier that it had an  
15 interest in having you include further  
16 representation, in part because when it made some  
17 difficult decisions about Council membership it  
18 had -- it couldn't include everybody, and so this  
19 was another -- an escape valve, if you will, so  
20 people who felt very strongly about an issue could  
21 participate if they wanted.

22 Now, there's always a challenge  
23 between providing representation and getting so big  
24 that it's cumbersome and non-workable and so on.  
25 There are other ways people can be included. The

1 subcommittees or the Council as a whole can choose  
2 to go out and have public involvement forums of your  
3 own so that by the time you bring information back  
4 in, you're fairly sure you have heard the points of  
5 view and so on. So this will be an issue we may  
6 need to talk about as each particular group gives  
7 its report.

8 Let's go first to the integrated  
9 river management, but I see Roger is not there. Is  
10 somebody acting on --

11 MS. MILES MENNELL: I am going to  
12 present our report on behalf of Roger Bedford, who  
13 is our chairman. Members of our committee include  
14 Austin Carroll, Phil Comer, Bill Forsyth, and W. C.  
15 Nelson.

16 Our committee met on June the 1st to  
17 hammer out what our Charter was going to be, and I  
18 am just simply going to read to you our purpose and  
19 objectives. Study issues relative to TVA's  
20 management of the Tennessee River system and related  
21 activities for multiple public benefits, including  
22 navigation, flood damage reduction, power  
23 generation, regional development, lake/reservoir  
24 levels, water supply, and recreation. Consider the  
25 balances and tradeoffs of different river system



1 management strategies. Determine what compromises  
2 are necessary for the Council to make  
3 recommendations to TVA about follow-on analysis of  
4 uses and related impacts. Develop recommendations  
5 for consideration by the entire Council that would  
6 provide greater public benefits from TVA's  
7 management of the Tennessee River system.

8                   We broke our work plan and schedule  
9 into phases. Phase one, of course, was to develop  
10 our Charter, which I have just essentially read to  
11 you.

12                   The second phase of that was to  
13 identify additional members in order to balance out  
14 our subcommittee, and we have recommended that in  
15 addition to the Council members that are serving  
16 that we add a representative from the shipping  
17 industry, a shipper, an industrial waste user, which  
18 would take care of representing flood control and  
19 water supply issues back on our Council.

20                   In addition, we're asking that a  
21 flood risk reduction representative from the City of  
22 Chattanooga be appointed to our Council to help,  
23 Chattanooga being the flood damage center of the  
24 valley, that someone from that arena also serve on  
25 our Council.

1                   Tentatively we have set a meeting --  
2     the next meeting of our committee for July 17th and  
3     18th.

4                   What else do I need to tell you?

5                   And that meeting specifically will be  
6     for member education. We thought that in phase one  
7     of our Charter that was something we needed to do as  
8     a group, was to be sure that we all shared the same  
9     body of knowledge and understood the types of things  
10    fully that needed to be considered.

11                  So, again, tentatively on July 17th  
12    and 18th we will be meeting as a part of our member  
13    education aspect of phase one. Phase two will be  
14    fact-finding, and, of course, followed by reporting.

15                  MR. JIM CREIGHTON: Do you have a  
16    sense of when you may be bringing anything even  
17    preliminary to the Council to act on?

18                  MS. MILES MENNELL: Well, it could be  
19    as early as the next meeting, but that will, of  
20    course, come out of our conversations at our July  
21    meeting.

22                  MR. JIM CREIGHTON: And you really  
23    won't know until you have a couple of weeks to --

24                  MS. MILES MENNELL: We need to -- we  
25    have hammered this initial phase of it, and as I

1 say, I'm speaking for Roger and -- but I think that  
2 what we all feel like is that we need to meet again  
3 in July and we'll have a better sense then of a time  
4 schedule for reporting back to the Council.

5 MR. JIM CREIGHTON: Any comments from  
6 Council members, first of all, on the whole issue of  
7 representation?

8 Does that make sense to you in terms  
9 of who they are proposing to add to their group?

10 Any suggestions of names?

11 Any comments on the their planned  
12 phases and so on?

13 I know everybody is just getting  
14 launched, so it's hard to give too much detail.

15 Ann?

16 MS. ANN COULTER: Well, I do have a  
17 suggestion about the City of Chattanooga  
18 representative, if you haven't already made that  
19 decision.

20 MS. MILES MENNELL: No.

21 MS. ANN COULTER: Okay.

22 MS. MILES MENNELL: Actually, I don't  
23 have that name in front of me. We wanted -- I think  
24 we have gone to the Mayor and asked him to make a  
25 recommendation to us, but I certainly think that

1 Kate and the others would certainly entertain  
2 whatever recommendation you have.

3 DR. KATE JACKSON: The subcommittee  
4 asked that I call Mayor Kinsey, and I did, and he  
5 made a recommendation, and I hate to say the name  
6 before the subcommittee has finally decided, but if  
7 you have got additional people, please --

8 MS. ANN COULTER: Oh, no, I think  
9 that's an appropriate way to seek out that person.

10 MR. JIM CREIGHTON: Other comments?

11 MR. STEPHEN SMITH: The meeting on  
12 the 17th and 18th, do you know where that is?

13 MS. MILES MENNELL: It's my  
14 understanding, in our committee meeting we said that  
15 we wanted to come to Knoxville and we wanted to be  
16 in that general area. We wanted to take a look at  
17 lake levels, reservoir levels, and wanted to be at  
18 the control center in Knoxville. So tentatively I  
19 think we're planning to meet in Knoxville.

20 MR. PHIL COMER: While the lake  
21 levels are full.

22 MR. STEPHEN SMITH: They're not  
23 always full?

24 MS. MILES MENNELL: But we've also  
25 decided we would have a follow-up meeting when the

1 lakes were drawn down, in interest of fairness.

2 MR. STEPHEN SMITH: Well, I -- you'll  
3 keep us all in the loop about when and where and if  
4 you're going to do like a tour and stuff because  
5 like that's an education --

6 DR. KATE JACKSON: I think the  
7 subcommittee is talking about that in addition, but  
8 we are planning to offer some tour activities for  
9 the next Council meeting, which we're also talking  
10 about having it be in Knoxville.

11 So I think what the subcommittee will  
12 need to do is look at the options for tours  
13 associated with the July Council meeting and make a  
14 determination as to what additional touring and/or  
15 information they would like to have during that  
16 subcommittee meeting.

17 MR. JIM CREIGHTON: Let me check, I  
18 don't know that we ever established a policy, are  
19 other members of the Council welcome to attend all  
20 other subcommittee meetings, is that your  
21 understanding?

22 DR. KATE JACKSON: That's my  
23 understanding.

24 MR. STEPHEN SMITH: And I know it's  
25 come up in the context of water quality, we're very

1 interested because there's obviously an overlap in a  
2 lot of these things that we're considering, you  
3 know.

4 DR. KATE JACKSON: And during the  
5 water quality conversation, we may talk about this,  
6 but I think probably one of the things that might be  
7 an advantage is to have a member who is on the water  
8 quality subcommittee that serves as the liaison  
9 between the water quality subcommittee and the  
10 integrated river management subcommittee,  
11 recognizing that the releases are critically  
12 important and issues of interbasin transfer, et  
13 cetera, that you on the water quality subcommittee  
14 have already made statements that you would like to  
15 be involved in and serve as that lynchpin link  
16 between those two subcommittees.

17 MR. JIM CREIGHTON: The easiest  
18 coordination mechanism may be as the subcommittee  
19 finalizes a meeting place and site to get it to  
20 Sandra Hill, she has the list server, so in 30  
21 seconds she can broadcast an E-mail to everybody in  
22 the group. That way everybody on the Council knows  
23 what's going on and when the meetings are occurring.

24 Does that seem reasonable?

25 Any last comments on the integrated

1 river management subcommittee?

2 MR. PAUL TEAGUE: I don't know if  
3 this is the appropriate time or not, but I notice  
4 our next planned meetings are in Knoxville July 28th  
5 and August 23rd. If we are planning on having a  
6 tour at either of those meetings where we could be  
7 there a day previous, we need to know in advance to  
8 make our plans as quick. As soon as we can know, I  
9 would like to know, because if we are going to tour  
10 Mr. Comer's areas up there, I would sure like to see  
11 it.

12 MR. PHIL COMER: You want to get  
13 there before the water goes down. Actually, Austin  
14 has promised, in spite of my fear of flying, that  
15 we're going to go twice. We're going to go again in  
16 the third week in September, which is -- you will  
17 see what's there for ten months out of the year. In  
18 July you will see what's there for two months out of  
19 the year.

20 MR. JIM CREIGHTON: Are you telling  
21 them to bring their mud boots?

22 MR. PHIL COMER: I didn't say that.

23 MR. JIM CREIGHTON: Okay. As I  
24 understand it --

25 MR. PHIL COMER: I promised Julie I

1 would be nice today.

2 MS. JULIE HARDIN: I am going to hold  
3 you to it.

4 MR. JIM CREIGHTON: The Knoxville  
5 meetings there will be a tour.

6 MR. PAUL TEAGUE: Which one? You've  
7 got two meetings in Knoxville, August 23rd and  
8 July 28th, according to this.

9 DR. KATE JACKSON: August is not  
10 determined where we will be, so that's up for grabs.

11 MR. PAUL TEAGUE: So July it will be  
12 the 27th and 28th then if we plan on being involved  
13 in the tour?

14 DR. KATE JACKSON: Yes.

15 MR. PAUL TEAGUE: Thank you.

16 MR. JIM CREIGHTON: Any other  
17 questions, comments for the integrated river  
18 management?

19 Okay. Water quality.

20 MR. JIMMY BARNETT: The water quality  
21 subcommittee met by telephone and had some  
22 interesting discussion. We had a real interesting  
23 discussion about who else we needed to have on the  
24 committee. We still haven't determined a final  
25 listing yet.



1                   There are a lot of things that we  
2   would like to learn and be brought up to speed on by  
3   TVA and maybe some outside sources of expertise.  
4   Therefore, we haven't got a schedule of exactly  
5   who's going to be on it, other than the four  
6   committees members, four Council members. That will  
7   be something that we will need to wrestle with.

8                   Even further, Kate, is the size of  
9   the committee can get too large to be unwieldy. Do  
10  we want enough people on it to bring in the various  
11  interest that we see are out there and someone that  
12  can lead us in the investigative part of trying to  
13  find out just what makes up water quality and how we  
14  should address various issues on it and make  
15  recommendations, but we can get so many people that  
16  it would be, like I say, unwieldy.

17                  So I noticed one other subcommittee  
18  had talked about some full working members and then  
19  some people that would come and bring expert advise,  
20  that is something that we would probably be  
21  wrestling with also.

22                  Our particular water quality  
23  subcommittee Charter suggested some activity to  
24  examine TVA's existing programs and efforts and be  
25  guided by the provisions of the TVA Act, and we

1 agree with that, but we had several items that we  
2 came up with as far as the scope of our activities.

3 We thought also when we added people  
4 to the committee that they might bring additional  
5 things that we might want to consider. So this is  
6 by no means a limited and totally definitive scope  
7 that we're talking about. And some of these may be  
8 tied together or even dropped, I would say, because  
9 it's just not a definitive list at this point in  
10 time.

11 So we will be meeting again. We  
12 haven't set any dates. We needed to find out a  
13 little bit more about who we were going to bring in,  
14 and as soon as we talk about that further, we will  
15 probably be setting some dates.

16 MR. JIM CREIGHTON: So right now  
17 there's not another meeting planned, you're waiting  
18 until you have a defined membership?

19 MR. JIMMY BARNETT: That's correct.

20 MR. JIM CREIGHTON: One question on  
21 the reservoir release improvements, I wasn't clear  
22 as to what extent that's an overlap with the  
23 integrated river management. Can you elaborate on  
24 that a little bit?

25 MR. JIMMY BARNETT: Some of the

1 thoughts that we had, and any of the other members  
2 feel free speak to this also, one of the thoughts  
3 that we had is if you release a lot of water through  
4 the dams or don't release it through the dams during  
5 drought conditions, it has a great impact on the  
6 quality of water further on down the river. If you  
7 take water from a whole watershed and take it back  
8 down to Atlanta, for example, that could really  
9 affect downstream communities and water quality  
10 also.

11 MR. JIM CREIGHTON: Okay. So it's  
12 not so much the quantities as to how and when it's  
13 released?

14 MR. JIMMY BARNETT: How and when and  
15 how does that affect the quality of the water above  
16 and below?

17 MR. JIM CREIGHTON: Any questions or  
18 comments from Council members on the proposed plan?

19 MS. MILES MENNELL: I have a  
20 question. And I understand that you don't know  
21 exactly who yet is going to be appointed to serve  
22 with you on that subcommittee, but just from the  
23 point of view of my constituents I want to reiterate  
24 that aquatic plant management is something that  
25 we're very, very interested in, and I would

1 encourage you to have someone specifically  
2 representing that interest.

3 MR. JIMMY BARNETT: Industrial plant  
4 management?

5 MR. JIM CREIGHTON: Aquatic.

6 MR. STEPHEN SMITH: Do you have a  
7 particular individual you think you would like to  
8 put forward?

9 MS. MILES MENNELL: No, I don't think  
10 I really want to put someone forward. I think  
11 that's the work of the committee. I just am very  
12 interested in being sure that that particular  
13 interest is represented.

14 MR. STEPHEN SMITH: Well, I mean, I  
15 know that when we were discussing this, I think we  
16 would be very interested if you know of an  
17 individual that has some experience and --

18 MS. MILES MENNELL: I have given that  
19 name, Stephen.

20 MR. STEPHEN SMITH: Okay.

21 MS. MILES MENNELL: I don't want to  
22 limit their -- I don't want to have that much  
23 influence who are going to serve on your  
24 subcommittee, and I have submitted some suggestions.

25 MR. JIM CREIGHTON: Now, I gather

1 right now that in your representation the problem is  
2 that you see all too many folks that would like to  
3 be represented and you're trying to figure out how  
4 to limit it and maybe use other mechanisms, can you  
5 elaborate on that a little bit? Maybe I've unfairly  
6 summarized it.

7 MR. JIMMY BARNETT: On our conference  
8 call we wound up talking -- each one of us threw out  
9 some names. We had one committee member who's  
10 waiting on someone to give her some names so that  
11 she can suggest them to the committee.

12 The situation that we run into is  
13 there's so many people out there. Some of them we  
14 know about either individually, some we know about  
15 from reputation, and we run into a problem of  
16 exactly where do we need to get representation.

17 I know we're supposed to be getting  
18 it from all geographic areas, if we can, but there  
19 are a lots of folks out there that may be  
20 concentrating in one particular area, Alabama, let's  
21 say, or Tennessee, that have a degree of expertise  
22 that we feel is necessary to help us get a grasp on  
23 things, and to say that you have got to have someone  
24 from podunk holler, just because there's a podunk  
25 holler, that doesn't feel too good to us.

1                   We wanted the expertise to guide us  
2   and not necessarily just somebody that's there  
3   because they are there, they happen to live there,  
4   and that's one of the things that we're wrestling  
5   with. So we're trying to come up with a  
6   representative committee but that would advise us on  
7   the facts as we need to know them.

8                   MR. JIM CREIGHTON: That they don't  
9   follow just by virtue of geography, they need to  
10   have some special interest in this area and  
11   preferably some expertise?

12                  MR. JIMMY BARNETT: That's correct.  
13   And we're not trying to leave out any part of the  
14   valley at all, the watershed area, that's not our  
15   intent or anything like that. It's just that we  
16   feel we need certain types of expertise and certain  
17   issues represented to us by people that are  
18   interested and have a passion for that particular  
19   area.

20                  Did I miss that, Elaine?

21                  MR. STEPHEN SMITH: No. I think it's  
22   good. I mean, we're really interested in having a  
23   dynamic membership and subcommittee. We're -- as  
24   you can see from our scope of work, there's quite a  
25   bit of it and some of it can get fairly technical

1 fairly fast. We all recognize that we don't have  
2 all of the pieces, so we're eager to get those  
3 pieces through the subcommittee.

4 MR. JIM CREIGHTON: Council, any  
5 comments on the scope? This is a helpful list,  
6 because before it was generally defined as water  
7 quality. Any reactions on other -- are there either  
8 other issues you saw as part of this or things  
9 you're not sure of?

10 Austin?

11 MR. AUSTIN CARROLL: When do you-all  
12 plan to meet again?

13 MR. JIMMY BARNETT: We haven't set a  
14 date or a time.

15 MR. AUSTIN CARROLL: I mean, I'm just  
16 trying to get some sense of timing on some of this.  
17 I mean, are you thinking about maybe meeting within  
18 a month or something like that and are you -- is  
19 this a face-to-face type meeting like we're thinking  
20 about on the integrated river management?

21 MR. JIMMY BARNETT: Is it a  
22 face-to-face, we haven't discussed that, but I would  
23 think that that might be appropriate. I think we'd  
24 probably have a telephone conversation to settle on  
25 some members, another conference call, that's

1 something you can do by telephone, representative  
2 comments. After that I think we would need to set a  
3 face-to-face meeting in conjunction with John, who  
4 is our spokesperson or TVA rep. Technically is that  
5 your name, John?

6 MR. JOHN SHIPP: I suppose.

7 MR. JIMMY BARNETT: And at that point  
8 in time refine some of these points -- the scope  
9 points that we're talking about and say, okay,  
10 Elaine wants to do this, Stephen wants to do this, I  
11 want to do something else, Bruce wants to do  
12 something else, and go from that point. But we have  
13 not set a time or date, but we don't want to wait  
14 very long simply because a lot of things that --  
15 particularly the integrated river operation  
16 committee and what we do is very closely related.

17 MR. JIM CREIGHTON: Any other  
18 questions or comments?

19 MR. AUSTIN CARROLL: I'm not trying  
20 to get too far ahead, but I'm -- I guess this is a  
21 little bit more personal, I'm a little bit concerned  
22 about the numbers of meetings and the time that's  
23 required.

24 And just to plant a seed, you know,  
25 perhaps we would want to have committee meetings --



1 or subcommittee meetings one month and maybe the  
2 Council meet the next month or something, because  
3 you're looking at next month and we're having a  
4 two-day meeting, by the time you count in your  
5 travel, that type of thing, and I don't know about  
6 the rest of you, but I have got some other things to  
7 do that they expect me to do and that they're paying  
8 me for. I am just planting a seed for later on in  
9 the agenda when we get down to the discussion of  
10 what happens next, meeting dates, and that sort of  
11 thing.

12 MR. BILL FORSYTH: Probably if we  
13 could work in an hour, an hour and a half when we  
14 have our regular meetings just for our committees to  
15 get together, it will probably move things along and  
16 help us stay organized and moving.

17 MR. JIM CREIGHTON: We do have a  
18 place on the agenda for next steps. It would be  
19 helpful if you do some thinking and talking among  
20 yourselves and have proposals to raise during that  
21 period because that's exactly the kind of -- Paul,  
22 did you want to get --

23 MR. PAUL TEAGUE: Last evening our  
24 subcommittee met, and I was going to bring that up,  
25 that 30 minutes or 45 minutes after the reception

1 would alleviate some of the problems, but yet, you  
2 could still have face-to-face meetings. And even  
3 though it makes them two days, another hour in the  
4 evening wouldn't be any problem as far as timing is  
5 concerned. I think that's very appropriate. That's  
6 what we had planned to do when we have our  
7 face-to-face meetings, and it saves a lot of that  
8 problem that you-all are discussing.

9 MR. JIM CREIGHTON: Okay. So we have  
10 a couple of alternative ways we could handle it.  
11 When we get to the next steps, let's take that on.

12 It raises a problem for groups that  
13 are -- where there are other members -- significant  
14 numbers of other members, they will have to be -- we  
15 will have to take that into account in our planning  
16 as well.

17 One question on the river quality,  
18 this year's crop of aquatic plants, are they in the  
19 rivers now or what's the peak?

20 MS. MILES MENNELL: (Moves head up  
21 and down.)

22 MR. JIM CREIGHTON: Now is the peak?

23 MS. MILES MENNELL: But they're  
24 growing.

25 DR. KATE JACKSON: It's not quite

1 peak yet, but they are there and there are issues  
2 and there are stakeholder groups that are working  
3 together to either provide guidance on how they will  
4 be managed or to help manage them.

5 MR. JIM CREIGHTON: So you already  
6 have a stakeholder process for that?

7 DR. KATE JACKSON: There is a  
8 stakeholder group in three of our reservoir areas  
9 that deals specifically with aquatic plant  
10 management.

11 MS. MILES MENNELL: I just have one  
12 additional question. Just for clarification -- I've  
13 asked this question before, but just to clarify it  
14 for the record, mosquito spraying is also an issue  
15 in which my members have a tremendous interest, is  
16 that going to fall into your subcommittee or where  
17 is that specific issues going to be addressed?

18 MR. JIMMY BARNETT: I guess one  
19 comment I have got, and Steve may have to comment,  
20 he's leaning forward like he may have to, the  
21 mosquitos themselves, that's not water quality, but  
22 when you spray for it, if it gets into the water,  
23 you know, something like that, that could have an  
24 effect. And yes, I do have a lot of mosquitos at my  
25 home that I would like TVA to take care of, but how

1 they will do that is a different thing.

2 MR. PHIL COMER: We don't have any  
3 mosquitos in the tributary lake area. The water is  
4 so pure that's one problem that we don't have.

5 MR. JIM CREIGHTON: Miles, let me  
6 clarify, was the issue the spray or was the issue  
7 the mosquitos? Miles, for your group was the  
8 concern the water quality implications of the  
9 application, is that --

10 MS. MILES MENNELL: Thank you.

11 MR. STEPHEN SMITH: Isn't the  
12 integrated group going to take the mosquito issue?

13 MS. MILES MENNELL: I think that  
14 public lands is probably also going to address that,  
15 but I just wanted to raise that question in the  
16 process of our questions and discussions.

17 DR. KATE JACKSON: The integrated  
18 river management will include the evaluation of how  
19 we include cyclings for only four of our reservoirs  
20 up and down for a few-week period to strand larva  
21 and eggs so that they dry out.

22 Other than that, we do some minimal  
23 spraying on flood mosquitos, if we do flood  
24 operations, which is merely at the lower end of the  
25 system, we do very little of that. The only other

1    thing that we do, and this is a contention with many  
2    of your constituency basis, is some looking at  
3    vector issues with respect to diseased borne  
4    mosquitos, and other than that, we do nothing.

5                   Historically, we have done additional  
6    spraying, even in residential areas, we do not do  
7    that any longer, and that is an issue that  
8    continuously is raised. The public lands management  
9    group will look at that, recognizing that the only  
10   places that we spray at this point is for flood  
11   control or occasionally in some of our recreation  
12   areas, but it's very little.

13                   MR. JIM CREIGHTON: So I guess the  
14   question becomes, if the action is taking place on  
15   land but it runs off of the land down into the  
16   reservoirs, does spraying issues belong to the lands  
17   management group or does it belong in the water  
18   quality group? Maybe this is another overlap area.

19                   MR. STEPHEN SMITH: It seems like  
20   there's two issues. One is the actual vector  
21   control itself, and then there's the implication of  
22   the vector control if you're using, you know,  
23   insecticides that potentially do cause runoff  
24   issues.

25                   I think that within the context of

1 water quality that is something that's identified.  
2 I would feel comfortable for us to investigate it,  
3 but I think there is -- you know, if I am hearing  
4 right, TVA is stepping way back from --

5 DR. KATE JACKSON: Not stepping,  
6 stepped years ago. We don't do it. I don't think  
7 if you took all of the spray that we spray in a year  
8 it would impact the reservoir at all. We do very  
9 little of it.

10 And so the issue is does what we do  
11 or don't do have an impact on the recreating public  
12 at our recreation facilities, I suspect that's the  
13 most appropriate focus. And again, I suspect that  
14 should be for the lands recreation area.

15 MR. STEPHEN SMITH: Miles, were you  
16 asking the question in the context of local  
17 governments who want to see TVA more involved in  
18 that process or are you --

19 MS. MILES MENNELL: I think Kate  
20 summarized it fairly well. I have local governments  
21 who wish that TVA had never stepped off that  
22 particular activity. In fact, TVA did step off of  
23 that a number of years ago, but that issue continues  
24 to be raised by my constituents. So I simply wanted  
25 to bring it out to people's attention so that we can

1 address it as appropriate in various areas.

2 Yes, it is an issue -- it's like many  
3 other issues, Stephen, I have members who would like  
4 for TVA to foot the bill for spraying, that may or  
5 may not be practical, but I simply wanted to just  
6 raise the issue and get it on record.

7 MR. JIM CREIGHTON: It sounds like  
8 the real issue is control of mosquitos, not water  
9 quality, which is predominantly a public lands  
10 issue.

11 MR. JIMMY BARNETT: I would like to  
12 make a comment. I agree with Miles, two or three  
13 mayors in my neck of the woods have said that they  
14 sure would like to see TVA doing more spraying  
15 because they're having to step it up and it's an  
16 economic issue.

17 MR. PHIL COMER: Would that be paid  
18 for by rate payers or by special appropriations?

19 MR. JIMMY BARNETT: I would hope by  
20 special appropriations.

21 MR. JIM CREIGHTON: Well, we'll let  
22 public lands wrestle with that one. Just following  
23 the order that I happen to have it in my book -- any  
24 last comments on water quality? Going. Going.  
25 Okay.

1                   Just following the order, at least  
2   that I have in my book, let's go to infrastructure.

3                   MS. ELAINE PATTERSON:   Our  
4   infrastructure committee met via telephone and our  
5   members are Miles Mennell and Al Mann, and myself  
6   being, I guess, elected as chair by default.

7                   Our purpose and objectives, I think,  
8   are pretty focused and clear.  It's to develop and  
9   maintain a safe and efficient navigable waterway  
10   from Paducah to Knoxville, including related  
11   navigable tributaries.  Develop recommendations for  
12   consideration that would help ensure the structural  
13   integrity and economic efficiency of the Tennessee  
14   River navigation system.  So it's really navigation  
15   and making sure -- structurally we're talking about  
16   the locks and the dams throughout the system.

17                  We have talked about additional  
18   members that we are going to put forward for Kate's  
19   consideration.  Jan Jones from the Tennessee River  
20   Valley Association, they have a broad interest in  
21   the navigation of the river, as well as we felt a  
22   barge or shipper, Bill Kenzeler from the American  
23   Commercial Barge Line.  So those are -- we felt  
24   based on a lot of the public comment that we have  
25   had, those are two interests that would be



1 represented on this group.

2 Our next step is we really need  
3 education on this. So we -- Gary Brock is our staff  
4 person. We have asked if he could check into  
5 arranging for the appropriate TVA personnel to give  
6 us a briefing of the overall system and help us  
7 understand what some of the issues are and help us  
8 understand the condition of the locks and the dams  
9 along the river and what infrastructure needs there  
10 are.

11 We would like to meet, like a lot of  
12 the committees, the day before our next meeting in  
13 July. So, I guess, we're going to need to  
14 coordinate with others on how we can fit that in. I  
15 think our -- someone talked about an hour meeting  
16 after the reception, I think our group is going to  
17 need more time to do that, and we may need some, you  
18 know, overheads and things for the TVA staff to  
19 brief us. So we're going to have to coordinate when  
20 we can have that, but we would like to do it in  
21 conjunction with the next meeting or sometime prior.

22 MR. JIM CREIGHTON: On representation  
23 again, there were two additions you were making?

24 MS. ELAINE PATTERSON: Correct.

25 MR. JIM CREIGHTON: Any comments on

1 representation? I know that at our very first  
2 meeting the navigation interests were expressing the  
3 feeling they felt unrepresented. This is an  
4 opportunity for that. And you have that covered?

5 MS. ELAINE PATTERSON: We do, but I  
6 will be happy to take any other recommendations, if  
7 there are any.

8 MR. JIM CREIGHTON: Okay. Any  
9 comments on the scope of what that committee is  
10 taking on? Very obliging group today.

11 Okay. So the big point is you're  
12 really in an education phase, you really can't tell  
13 the Council much yet about when you're going to be  
14 springing into action?

15 MS. ELAINE PATTERSON: Correct.

16 MR. JIM CREIGHTON: Okay. Last  
17 chance.

18 MS. ANN COULTER: Elaine, I would  
19 like to be added to your subcommittee.

20 MS. ELAINE PATTERSON: Great.  
21 Thanks.

22 MR. JIM CREIGHTON: And that reminds  
23 me, when we had gotten all the reports, I see some  
24 of you did not indicate an interest in being  
25 involved in any. I will ask for one last round of

1 anybody that would like to step forward and join a  
2 subcommittee as well.

3 Okay. The last one is the public  
4 lands management, I am not sure who I'm supposed to  
5 be calling on.

6 MS. JULIE HARDIN: Yes. I am going  
7 to make that report.

8 MR. JIM CREIGHTON: Okay, Julie.

9 MS. JULIE HARDIN: Only because I'm  
10 just one committee member though. We have decided  
11 not to have a chair. We're kind of the maverick  
12 subcommittee.

13 Roger Bedford, Ann Coulter, and Paul  
14 Teague are with me on this committee. We have  
15 indeed worked closely with Ruben Hernandez, and also  
16 Bridgette Ellis more recently.

17 We have been very involved in getting  
18 the history on what has been done in the past with  
19 public lands management, and we have received by  
20 FedEx huge packages which we're all -- which the  
21 four of us are going through. That's been basically  
22 our activity this spring. We also have had two  
23 conference calls at great length and we've also  
24 drafted a Charter. I will read to you the first  
25 paragraph of our Charter, and it is in your

1 handouts.

2                   Objective: To study and examine  
3 issues relative to TVA's management of public lands  
4 and related activities, including recreation,  
5 management of shorelines, multipurpose use of public  
6 lands, including the management of natural resources  
7 and protection of critical habitats, and economic  
8 development. Explore and address past and current  
9 management practices. And that's where we have been  
10 this spring. And I think we probably need to add  
11 something about mosquitos, as I understand the  
12 discussion today.

13                   We are now struggling with two  
14 things. One is our membership make-up. We had  
15 decided -- at first our plan was to go to other  
16 groups and to sit and be educated by them,  
17 Tennessee, Alabama, Georgia, et cetera, Mississippi,  
18 and really learn what the experts who have worked in  
19 the past decade on public lands management know and  
20 can tell us.

21                   Now we're thinking after last night's  
22 meeting that perhaps we should add membership to our  
23 committee representing those interests, but Roger  
24 has not been here. We met last night together, Ann,  
25 Paul, and myself, but without Roger we can't make

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1 any determinant decisions about membership.

2                   The other thing that we're wrestling  
3 with and have really made a decision about is not to  
4 reinvent the wheel. We don't want to go back and do  
5 what TVA has already done, and they indeed have  
6 already gone to these groups. And what we're  
7 reading and learning is that they have gotten good  
8 input in the past and we don't want to throw that  
9 out the window, we want to use that and integrate it  
10 into everything we do.

11                   So let me ask if Paul and Ann have  
12 any input you want to add to this report?

13                   MS. ANN COULTER: No, I think you  
14 have done a good job of saying what our difficulties  
15 are.

16                   MS. JULIE HARDIN: Paul?

17                   MR. PAUL TEAGUE: (Moves head from  
18 side to side.)

19                   MS. JULIE HARDIN: We did add in our  
20 objective sentence, the protection of critical  
21 habitats, and we're rather proud of that, but we  
22 would like any input from any other Council members.

23                   MR. JIM CREIGHTON: Council, any  
24 guidance on helping them resolve their  
25 representation debate?

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1 Any comments on the scope of the --  
2 MS. JULIE HARDIN: I have gotten some  
3 names from the Tennessee Conservation League. We  
4 are working on who else to involve.  
5 MR. STEPHEN SMITH: Julie, I'll talk  
6 to you some more, but I know there's a couple of  
7 folks that are interested when you-all are wanting  
8 to entertain names. I think there's a high degree  
9 of interest in this and there will be some valuable  
10 insight from them.  
11 MR. JIM CREIGHTON: The subcommittees  
12 do -- you do have the option if you want to reach  
13 out to groups in terms of involvement instead of a  
14 membership, that remains an option.  
15 MS. JULIE HARDIN: Right. And we can  
16 only resolve that when the four of us get together  
17 again.  
18 MR. JIM CREIGHTON: Paul, did you --  
19 MR. PAUL TEAGUE: The issue here or  
20 the discussion or argument, if you will is, what's  
21 the role of additional members? There's some  
22 concern about overstaffing. There's some concern  
23 about padding the issue.  
24 I think all four of us will admit we  
25 want everybody's input or anybody's input, but the

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1 issue here is, is it their decision to make the

2 final decision, and some of us don't feel that it is  
3 the issue of this Council to make that final  
4 decision and that the four of us can appropriately  
5 dissect what these people have to add and make that  
6 decision and bring it back to this committee rather  
7 than to have, two four, six, eight additional,  
8 quote, members with voting rights. I personally  
9 don't feel that's appropriate, but that has not been  
10 voted and determined at this time.

11 I would like to say that I want  
12 everybody to have his say. I want everybody to have  
13 his day in court, if you will, and we will welcome  
14 any and everybody to have input into this committee,  
15 but it's whether they have voting rights is yet to  
16 be determined.

17 MR. JIM CREIGHTON: So there's  
18 agreement on the need for hearing the public  
19 viewpoint, simply which mechanism is best, whether  
20 it's participation by them or whether it's full  
21 membership on the subcommittee?

22 MR. PAUL TEAGUE: (Moves head up and  
23 down.)

24 MR. JIM CREIGHTON: Any comments from  
25 the Council members?

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—

1 MR. JIMMY BARNETT: I'd like to make

2 one comment.

3 MR. JIM CREIGHTON: Please do.

4 MR. JIMMY BARNETT: In listening to  
5 every subcommittee talking and the various Council  
6 members about the subcommittee make-up, and we see  
7 this guideline in front of us about subcommittees,  
8 we're all wrestling with that. That's something  
9 that I think, Kate, you need to give us a little  
10 more guidance on rather quickly.

11 The geographical thing I mentioned,  
12 whether they have voting rights on the subcommittee,  
13 which they wouldn't on the Council, but they could  
14 on the subcommittee, or whether they should be  
15 advisory only, if you-all have some real comments  
16 that all of us could go by, I think all of the  
17 committees ought to be working under the same  
18 guidelines. I can see some confusion and maybe some  
19 folks getting their feelings hurt if they -- if one  
20 committee does one way and another subcommittee does  
21 the other way.

22 DR. KATE JACKSON: Well, you have the  
23 ability, because you're Council members, to have  
24 your subcommittees be different. So I don't think  
25 that the public lands group needs to be sensitive

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1 that they're bad because they're different. They're  
2 different, and maybe that's because the issues are



3 different. They are different, after meeting with  
4 them last night, I'm sure of that.

5 MS. JULIE HARDIN: Now, Kate.

6 DR. KATE JACKSON: I'm sorry. But, I  
7 guess, the guidance I would give would be the same  
8 guidance that I gave last time. The first thing is  
9 I think that you have decided not to vote but to  
10 reach consensus, and that is a more difficult and  
11 more painful process, but again, probably reaches  
12 better decisions.

13 The things that will come out of the  
14 subcommittees come out as recommendations to the  
15 full Council to take action on. The Council will  
16 have the final determination as to whether or not  
17 the recommendations from subcommittees will be  
18 provided as advice or not to TVA, so that's another  
19 kind of guiding piece.

20 The third is that the opportunity to  
21 add additional members to subcommittees is an  
22 opportunity for you-all to broaden the reach and  
23 substantive involvement of additional members of the  
24 public and special interest to the Council's  
25 activities and the Council's deliberations. Yes,

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1 that might change the nature of some of the  
2 discussions, which is why we have additionally

3 talked at the last meeting about the importance of  
4 the subcommittee level of shadowing the balance that  
5 exists in this room on the subcommittees and guiding  
6 you in your subcommittee work not to overweigh one  
7 particular viewpoint on those subcommittees, because  
8 that will make it increasingly difficult to have the  
9 full Council take that as a good recommendation and  
10 advice from subcommittees.

11 I think that the only other piece of  
12 guidance that I will provide you and then let you  
13 wrestle with this is that to the extent that you  
14 place special interest on subcommittees or decide  
15 not to expand the reach of additional members on  
16 subcommittees will have an impact on how special  
17 interest and TVA stakeholders will look at the  
18 process of the Council as it moves forward.

19 If, in fact, they feel  
20 disenfranchised because they are unable to  
21 participate in the Council's deliberations through  
22 subcommittees, even if they're allowed to attend  
23 meetings and talk, if they feel disenfranchised and  
24 thereby step away from this process as being a  
25 balanced and open and appropriate process, that

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1 doesn't help the Council, and thereby, it will make  
2 it increasingly difficult for TVA to know what it  
3 should do when it receives recommendations from the

4 Council. I think those are issues that you-all need  
5 to wrestle with, and I have pushed enough, I think.

6 MR. JIM CREIGHTON: From a pure  
7 process perspective, which is kind of where I come  
8 from, I would tend to underline Kate's last point,  
9 that the responsibility to the Council is that you  
10 not only deliver a balanced recommendation but you  
11 deliver one that has the -- it's perceived as having  
12 been brought with full and adequate representation.  
13 In other words, if you walk in and you have a great  
14 recommendation, but everybody is all offended, then  
15 we're not there.

16 But how you get there and what  
17 mechanisms you use so that they feel they have been  
18 heard, that's in your hands. And if you think  
19 geography is a less critical issue, I would say  
20 that's your committee's call. It would only be if  
21 some two states stage an uprising because they were  
22 left out, then you haven't done the job.

23 MR. STEPHEN SMITH: On the issue of  
24 involving outside groups substantially, I would want  
25 to weigh in very strongly and encourage the public

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1 land subcommittee to actually engage people in a  
2 substantive way, not just inviting them in to talk,  
3 but actually encourage them to be full participants

4 in the subcommittee.

5 I think that substantial was one of  
6 the words that Kate used, and I think from the  
7 perspective of a number of people that are working  
8 on advocating for public lands, they are not going  
9 to feel just attending a meeting or two or  
10 periodically being asked for their opinion as having  
11 been substantially involved. I think it is going to  
12 affect the long-term outcome of your product and  
13 whether there is actually buy-in from folks.

14 And while it does cause a little bit  
15 more of a logistical issue to have more people  
16 involved, I think you will ultimately, I would hope,  
17 end up with a better product. I know there are a  
18 couple of folks that have approached me with a high  
19 degree of interest in being involved in the public  
20 lands, and I think that they would view full  
21 participation of the subcommittee level as  
22 substantial buy-in and participation as opposed to  
23 just being asked their opinion periodically.

24 Although, I am open to other  
25 suggestions that may actually give them that feeling

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1 of being fully involved, but I would be concerned  
2 that if -- I mean, I think that would be an issue  
3 for some folks that I know that are very interested.

4 MR. PAUL TEAGUE: I think there's two

5 issues here. No. 1, coincidentally geographically  
6 this committee is totally represented, me from west,  
7 Bedford from Alabama, Ann from Chattanooga, and  
8 Julie from Knoxville; it's coincidental, but it  
9 happened.

10 Full participation also could lead to  
11 a stacked deck. I don't want a stacked deck. We  
12 already have a broad representation here, and when  
13 you start talking about special interests, that's  
14 synonymous to me with lobbyist in Nashville and  
15 Washington. And when -- the lobbyist, they don't  
16 have the right to vote in Washington, nor Nashville,  
17 nor Alabama, nor Kentucky, and this is what this is  
18 to some extent.

19 So we feel that -- I personally feel  
20 that it is our responsibility to assimilate all of  
21 this information and come up with an educated,  
22 intellectual decision of what's right and what's  
23 wrong.

24 MR. JIM CREIGHTON: So your concern  
25 is that special interests be kept in an appropriate

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1 role, which you see as advising you and commenting  
2 but it's your job to balance it out?

3 MR. PAUL TEAGUE: Yes.

4 MR. JIM CREIGHTON: Okay. I think we

5 have fairly well laid out what the issues are, and I  
6 think the only guidance is, we need you to deliver  
7 not only a product but also a process that allows  
8 people to feel included, and how you do that is your  
9 call.

10 MS. JULIE HARDIN: Well, I do want to  
11 say that unlike my colleague Paul, I do believe that  
12 part of our role as a subcommittee is to empower  
13 people who know more about what we're recommending  
14 than we do.

15 MR. JIM CREIGHTON: So you're -- you  
16 guys have got some consensus building to do.

17 MS. JULIE HARDIN: I don't mind  
18 working it out, but with Roger's help and Ann's  
19 help.

20 MR. JIM CREIGHTON: Okay. Well,  
21 we'll let you do that and debate that off-line.

22 MS. JULIE HARDIN: Okay.

23 MR. JIM CREIGHTON: I think -- Kate  
24 and Eddie, are you comfortable with the guidance  
25 that's been given, which is, it's your job, so be

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1 fruitful and multiply, however you get there? Okay.

2 MAYOR EDDIE SMITH: Well, I think the  
3 main emphasis is that you reach a consensus, you  
4 know, and you don't get into a voting situation, and  
5 hopefully that members of the Council on the

6 committee, along with those you bring in outside of  
7 the Council, that whatever recommendation you come  
8 back with will be a consensus rather than a split  
9 vote between the members of the committee and that  
10 kind of thing.

11 MR. JIM CREIGHTON: Now, what  
12 impression I get listening to the committee reports  
13 is that it's probably going to be after the next  
14 meeting before you're really able to say, we need a  
15 slot on the Council agenda two weeks -- or two  
16 meetings out in order -- that that kind of  
17 scheduling thing where we begin to develop a sense  
18 of who is on the agenda for what full Council  
19 meeting, that's still at least a meeting away?

20 MS. JULIE HARDIN: For us at least.  
21 As Paul suggested, if we use this Knoxville meeting  
22 in July, and wherever the 23rd meeting is in August,  
23 as getting together, we might have something for you  
24 in September.

25 MR. JIM CREIGHTON: Bruce, did you

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1 want to --

2 MR. BRUCE SHUPP: Yeah, I want to  
3 plant a seed like Austin did for the what's next  
4 session, the next-step session. We may be at a  
5 point, it sounds like all of the subcommittees are

6 struggling with focus and organization, and we may  
7 be at the point where we don't need a full Council  
8 meeting in July or August but we need that time  
9 period for the subcommittees to meet face-to-face,  
10 select their additional meetings, talk about their  
11 issues and focus, come back at maybe a September  
12 Council meeting where we really have fleshed out our  
13 vision of the mission for these subcommittees, it's  
14 something to think about later in the day.

15 MR. JIM CREIGHTON: One thing, we  
16 whipped through this a little faster than I had  
17 estimated, so maybe we can save some of that time  
18 just in case we need it for the next step, because  
19 it sounds like that's where we're going to need some  
20 more discussion as to how to organize ourselves  
21 there.

22 Before I turn it back to Eddie  
23 though, anyone who didn't sign up for a subcommittee  
24 who would like to be a member of a subcommittee?

25 Okay. Feel free to approach the

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1 subcommittee chairs if you want to -- you're  
2 desperate to get on one of those groups, feel free  
3 to get on.

4 So, Eddie, I would suggest -- protect  
5 whatever time we have saved and allow a little bit  
6 more time for the next step discussion at the end of



7 the day.

8 MAYOR EDDIE SMITH: Okay. All right.  
9 Thank you very much, Jim, and thank you for your  
10 reports, and we are running a little bit ahead of  
11 schedule. So what we will do is probably take a  
12 break at this time and be back here, I would say,  
13 about 10:00 to go into the next session.

14 MS. MILES MENNELL: I just want to  
15 ask the members of our integrated river management  
16 subcommittee just to come over here and stand in the  
17 corner with us just for a minute, please.

18 (Brief recess.)

19 MAYOR EDDIE SMITH: Let us come to  
20 order again, please. At the last meeting we talked  
21 about having an in-depth briefing at each of our  
22 next few meetings on topics being addressed by the  
23 various subcommittees. So today we are receiving  
24 briefings on river management. The next time we  
25 will be briefed on public lands management and so on

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1 until we get briefed on all of these various issues  
2 related to subcommittees.

3 Presenting the briefing will be Chris  
4 Ungate and Janice Herrin. I would like the Council  
5 to observe the same groundrules that we had the last  
6 time, if you really don't understand something or

7 need clarification, then go ahead and ask a  
8 question, but if you want to ask questions that goes  
9 into some depth challenging some of the things being  
10 said, please jot that down, note it, and we will  
11 discuss that at a later period during question and  
12 answer. This way we will be able to go through all  
13 of the process before we get bogged down on specific  
14 details.

15 Also, those of you who are observing  
16 the meeting in the gallery, our guests, you're  
17 welcome to address the content of the presentation.  
18 The presentation is also for your information. So  
19 if you would like to comment to seek clarification  
20 about the presentation's content, you may do so  
21 during the public period -- hearing comment period,  
22 but be mindful that we still want to try to keep a  
23 limitation to public comments of five minutes for  
24 each person. And so that's how the groundrules  
25 fall. So that's what we're doing today in this

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1 session, and now we will ask Chris to make the  
2 presentation.

3 MR. CHRIS UNGATE: Thank you. My  
4 name is Chris Ungate. I am the manager of the  
5 generation resource planning and environment  
6 planning organization in Chattanooga. And from  
7 October of '87 through February of '91 I was the

8 project manager for the reservoir operation and  
9 planning review, which became popularly known as the  
10 lake improvement plan. Mr. Comer and I had some  
11 discussion about that at the break. He doesn't like  
12 calling it that, and I understand.

13                   Actually, I am a little nervous about  
14 making this presentation. I have given dozens of  
15 presentations about the reservoirs through the  
16 years, but this one is kind of special for me  
17 because not too many people have copies of the blue  
18 book, which was the draft environmental impact  
19 statement.

20                   One of the high and mighty  
21 recommendations we had in here was to propose that a  
22 Tennessee Valley land and water forum be established  
23 that would be composed not only of governors and  
24 executives and federal agencies, slightly different  
25 than the Regional Resource Stewardship Council, but

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1 it looks like it took about ten years but we finally  
2 got here and we have something similar to what we  
3 had proposed.

4                   Given the time, I am going to try to  
5 give you a high level overview of what the study  
6 consisted of, how we got to that conclusion, a  
7 little bit about the process. It wasn't planned to

8 go into detail. I understand we have a little bit  
9 of time, so I suppose we can entertain some  
10 questions, and that might get into some detail, but  
11 we have got that for a subcommittee in the future or  
12 something.

13 I am going to cover three areas.  
14 Some key features of the reservoir system that drove  
15 to kind of conclusions, what the lake improvement  
16 plan's decisions and the rationale for those was and  
17 then a little bit of an overview of the study  
18 process.

19 After having given a few  
20 presentations on the study, I always begin these  
21 with key features of the reservoir system because to  
22 me you have to understand the context a little bit  
23 because the original concepts for the reservoir  
24 systems were borne out of the conservation movement  
25 and why it is the way it is. And when the hardware

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1 and the physical plant was put in place, it has  
2 limits on what it can do, and those became pretty  
3 apparent as we went through the study and it grossed  
4 some of those results. So let me go into some of  
5 those.

6 At the outset of the study we had a  
7 historian in our communications department at TVA.  
8 We commissioned him to prepare a paper on kind of

9 the background for the reservoir system, how it was  
10 first put in place, why it had the operating  
11 purposes it did. There was an article that he  
12 prepared for the Public Historian that is worth  
13 reading that describes a lot of that.

14 What he says in there I still believe  
15 to be true, that navigation is the first among  
16 equals as operating purposes of the reservoir  
17 system. What's interesting is that the way that  
18 navigation is handled through the way the system was  
19 designed and construction and primarily the  
20 management of levels.

21 If you compare the Tennessee system  
22 to, say, the lower or upper Mississippi River or the  
23 Missouri River base, you find that you have to  
24 provide navigation depth at certain times of the  
25 year but providing minimum flow that greatly

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1 controls what you do with water in storage, but on  
2 the TVA system -- these are charts there of the lake  
3 improvement plan, environmental impact statement.

4 You can see that the navigation  
5 channel, it's just a stair step. Water levels are  
6 kept in balance with one another so that tows can  
7 move up river and you don't have to provide minimum  
8 flow, except at the mouth and a little bit below

9 Kentucky. Those flows don't really strain the  
10 operations except in very dry years.

11 The alternatives that the original  
12 designers of the system had that we learned through  
13 this study was the -- they had the nine high dam  
14 alternatives, then they had -- I think they offered  
15 six low dams, which was one of the original  
16 alternatives the Corps of Engineers put together,  
17 and prior to TVA that would have required a lot of  
18 flow down the rivers to maintain the navigation  
19 channel. It also would have severely limited the  
20 hydropower.

21 And for reasons of providing the  
22 flood storage and for providing hydropower, the high  
23 dam alternative was chosen, even though at the time  
24 it presented somewhat of a technological risk, given  
25 that something like this had not been tried before.

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1 The tributary reservoirs are there to  
2 store water for later use in dry months and to  
3 provide storage to reduce flood crests. What the  
4 original designers show, and I -- every time I think  
5 about it I continue to marvel about the engineers  
6 who put this together because they didn't have  
7 computers. They had pencils and slide rules and  
8 pads and they had -- don't have 100 years of  
9 historical records, the way our engineers have

10 today. They had 20 to 30 years of some limited  
11 records and some flood areas, some flood crest  
12 records.

13 They saw this pattern of reasonable  
14 rainfall throughout the year, a lot of runoff when  
15 vegetation is dormant and the ground is cold and  
16 temperatures were down and saw a possibility about  
17 how you could put together a system to manage this.

18 They also observed this pattern of  
19 floods out of Chattanooga, which was the principal  
20 focus of the design of the upper system, and the  
21 fact that those floods occur at particular times of  
22 the year.

23 So they came up with a concept of  
24 really building storage reservoirs in the upper  
25 river that you could keep low for most of the winter

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1 period to catch those big storms and then regulate  
2 the crests in Chattanooga to prevent flooding and  
3 then take, say, the last month of this water and  
4 store it and keep it in the reservoir system and use  
5 it to provide navigation flows and water quality.

6 Although the 1921 report on pollution  
7 in the river talked about water quality and sewer  
8 and unsewered population, which is very different  
9 than we have today, they were concerned about those

10 list of things. And then, of course, the water in  
11 storage but also is used to provide hydropower  
12 through the annual cycle.

13 A couple of issues that were not on  
14 their mind, but when we went through the process of  
15 public involvement, the process of the river was  
16 studied and that really became quite apparent, where  
17 are the minimum flows for the dams?

18 We only had prior to the study a few  
19 minimum key flows, usually at Knoxville,  
20 Chattanooga, other major pollution centers, and then  
21 there was also the problem with dissolved oxygen in  
22 these storage reservoirs. That was not a problem  
23 unknown at the time.

24 In fact, Abel Wholman was a very  
25 famous figure and was a consultant with TVA in the

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1 '40s and was warning TVA about the dissolved oxygen,  
2 but not much happened until the reservoir study. Of  
3 course, in the '90s a lot of those problems were  
4 addressed, the capital improvements at the dams.

5 Another key feature, one that drives  
6 some of the results is that hydropower at the time  
7 was thought to be the only power source that would  
8 ever be needed in the Tennessee Valley, and the  
9 system was put into place pretty much for  
10 base-loaded operations. Had we envisioned the fact



11 that loads would grow well beyond that to the point  
12 where hydro would only provide 10 to 15 percent of  
13 the energy that was needed in the valley, we might  
14 have put a lot more units so that you could peak a  
15 lot better with it, but that's not the case and  
16 hydro wasn't used for that.

17 Now, when you look at this runoff,  
18 the red bars on this diagram, you can't tell they  
19 are red very well, this one here, the runoff almost  
20 directly corresponds to the hydropower that you get  
21 out of the system, and they kind of match the world  
22 of the '30s, '40s, and '50s, no air conditioning, so  
23 you didn't need much in the summer. It was lighter  
24 in the summer and the lighting wasn't as high and  
25 you were promoting electric heat anyway, so you had

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1 lots of energy to match your electric heat in the  
2 winter. So it kind of fit pretty naturally.

3 In fact, one of the major points  
4 about this system is that one of the purposes you  
5 can think of that's competing and also highly  
6 complimentary is an operation of the reservoir  
7 system and the decisions about when you're releasing  
8 water and how and so forth, usually working in  
9 concert with one another, often in conflict.

10 Another key feature is the reservoir

11 system was built in part to address some problems  
12 outside the Tennessee Valley. In particular, this  
13 area in here, the lower Ohio and Mississippi River,  
14 is an area that's prone to flood. The Corps of  
15 Engineers have built a lot of levies in that part of  
16 the world to protect towns like Cairo, Illinois, and  
17 there was a series of levies built on the west side  
18 of the Mississippi to channel flood waters that  
19 would occur, overflows, if you will, out of the  
20 Mississippi so that there are secondary channels,  
21 which are frankly farm land and homes and barns, and  
22 that sort of thing, that would just be flooded under  
23 the Corps of Engineers plans for that -- handling  
24 flood zones in the lower Mississippi.

25 One part of that is something called

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1 the Birds Point New Madrid Floodway, and that  
2 floodway has a dike at the entrance to it. To be  
3 able to use that secondary channel, you blow up the  
4 dike, and the Corp of Engineers found in 1938 in a  
5 major flood there that they needed to do that.  
6 However, when they went out to blow that dike up  
7 they were greeted by farmers with shotguns, and they  
8 had to call out the National Guard to be able to do  
9 that, but that kind of environment created an  
10 urgency from the viewpoint of the Corps to build the  
11 Kentucky project, which sits up in the mouth of the

12 river. It has almost three times as much capacity  
13 as any other TVA reservoir. It's not upstream in  
14 Chattanooga, it's downstream. One of its primary  
15 purposes is to help reduce flood crests on the lower  
16 Ohio and Mississippi so that floods there, the  
17 impact of those can be reduced. One needs to  
18 consider that the Tennessee system can't be  
19 considered unto itself. You have to look at it,  
20 it's really part of the Mississippi River basin.

21                   The last series of concepts that are  
22 important to understand is this is a system. You  
23 cannot operate any particular reservoir outside of  
24 that system. This is very unlike some other  
25 systems, particularly the Bureau of Reclamation

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1 projects, to some extent Corps projects on certain  
2 rivers where to some degree any particular dam can  
3 be operated independently of the others, there are  
4 always limits to that, particularly when they store  
5 water from one year to another, a lot of times you  
6 can look at it that way.

7                   On the Tennessee system it's strictly  
8 an annual system that comes back to an initial  
9 condition every January. You have to operate all of  
10 the dams together or you will end up with problems  
11 and chaos. There is an annual cycle. I think Janet

12 has already talked to you a little about that and  
13 will talk to you a little bit more about it after  
14 me, so I am not going to go into that a lot.

15 Another key feature she will talk  
16 about is that the total storage capacity of the  
17 system is used throughout the annual cycle, that's  
18 very different from other systems where storage  
19 capacity is reserved year around for flood control.  
20 Here it's used. That's why we even have tributary  
21 lakes as large as they are. If we went to another  
22 type of approach, like the Corps, we would keep the  
23 lakes low all year around and that would be that.  
24 These are the key features that I like to point out.

25 Just in summary, the old tree

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1 diagram. Engineers like to straighten things out.  
2 Navigation on the main stem, it has only about two  
3 inches of flood control storage. You'd need to  
4 build storage reservoirs upriver to provide flood  
5 control storage. I think it's about six inches of  
6 runoff storage.

7 The system operated together for --  
8 originally for navigation. First you had level  
9 control for flood control to provide the storage for  
10 regulating floods principally in Chattanooga but to  
11 some degree outside the system and at other smaller  
12 damage centers. Then as a secondary purpose to

13 produce power in the process. That was -- that's  
14 the way TVA acted.

15 Let me just jump to the end and talk  
16 about the lake improvement plan and then what it --  
17 how it addressed two particular problems, that of  
18 water quality, those problems of the minimum flows  
19 that I mentioned earlier that were never really  
20 seriously considered.

21 Question?

22 MR. AUSTIN CARROLL: Chris, would you  
23 explain the term minimum flows and why that's  
24 important?

25 MR. CHRIS UNGATE: Okay. The dams

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1 have the capability of basically turning off the  
2 river, no flow below except for what comes in from  
3 runoff, but rivers need to have a minimum flow in  
4 them for other purposes other than, say, hydropower,  
5 which is typically the way it's thought of.

6 A minimum flow in Chattanooga or  
7 Knoxville is needed because you have discharges from  
8 sewage treatment and other industries. Usually  
9 pollution discharge permits are key to particular  
10 flows past particular points.

11 At our tributary dams, the reservoir  
12 below doesn't have its backwater come up to the base

13 of the dam like it does on the main river. So when  
14 the upstream reservoir turns off, the river would go  
15 dry.

16 I think the figures -- there's about  
17 2,100 river miles in the Tennessee system that are  
18 so-called large river habitat, about two-thirds of  
19 those were impounded by dams.

20 Of the remaining third, 200 miles  
21 prior to the reservoir study would be subject to  
22 drying out if the dams were not operating. And one  
23 of the recommendations was to provide a minimum flow  
24 so that most of those 200 or so river miles would  
25 have water in them all the time so that you could

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1 have a basic ecosystem to start up in those areas.

2 MR. AL MANN: Did you ever have zero  
3 flow?

4 MR. CHRIS UNGATE: We have zero flow  
5 now at times at particular dams on the main river,  
6 yes, and we have zero flow at other times. Zero  
7 flow can occur, yes. There isn't enough water to  
8 run the hydropower units 24 hours a day ever. From  
9 the viewpoint of a power planning organization,  
10 hydro is what they call a limited fuel resource. It  
11 does not have enough water to be able to run it all  
12 the time. So you have to choose when you use it.

13 MR. PHIL COMER: I think to help him,

14 one of the benefits of your 1990 change was the fact  
15 that you now have minimum flows to help aquatic life  
16 below the dam?

17 MR. CHRIS UNGATE: Right.

18 MR. JIM CREIGHTON: Chris, would you  
19 cover what dissolved oxygen is? It's another  
20 definitional thing.

21 MR. CHRIS UNGATE: Sure. Dissolved  
22 oxygen is oxygen dissolved in the water. Fish need  
23 that to be able to breathe. They take in water and  
24 take the oxygen out of the water for their own uses.  
25 If there's no oxygen in the water, the fish can't

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1 live there. It's as simple as that from a viewpoint  
2 of a fish.

3 Oxygen is also used in chemical  
4 processes in the river, for simulation of waste. So  
5 if there's too much waste in a river, the oxygen can  
6 be used up by that assimilative process and go to  
7 zero, and that's a bad condition. That is often  
8 what state regulators look at when they are doing --  
9 deciding how much pollution can be emitted from any  
10 source that requests a permit.

11 However, you know, dams, like  
12 capturing all the water in an area of a watershed,  
13 they also capture all of the nutrients and

14 pollution. I mean, to a fishery biologist pollution  
15 is nutrients for the most part. So you can have the  
16 lower layers of a reservoir go anoxic or basically  
17 lose all their oxygen.

18 The intakes for the dams are at the  
19 bottom. So when there's no oxygen in the bottom,  
20 they pull out water that doesn't have water in it  
21 and send it on downstream. There's a natural  
22 process of re-aerating downstream, but that takes a  
23 long time.

24 One of the changes we made with the  
25 reservoir study and the equipment that was put in

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1 during the 1990's was to aerate those releases so  
2 that when water that came out of the dam that didn't  
3 have enough oxygen in it or no oxygen in it, the  
4 oxygen was put back in up to certain levels.

5 Does that address it reasonably well?

6 MR. JIMMY BARNETT: Chris, I have a  
7 question of your last comment there about counting  
8 on state pollution controls affecting half of these,  
9 explain that a little bit.

10 MR. CHRIS UNGATE: Each of the  
11 reaches of any stretch of river have certain  
12 standards that are set by the states that have  
13 authority to do that for certain types of standards.

14 In this particular case, we're



15 talking about standards for dissolved oxygen. Six  
16 milligrams per liter is usually the standard for  
17 cold water fishery, and the cold water fisheries  
18 that exist, of course, are artificial. They were  
19 created by the dams because the dams impound the  
20 water and that water is cold at the bottom, so when  
21 it comes out it's colder than what would ordinarily  
22 have been there if the dam hadn't been there. So  
23 they established the six milligram based on  
24 scientific evidence that that's a minimum for a good  
25 sustainable trout fishery or cold water fishery in

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1 those areas.

2                   The five milligram standard is for  
3 warm water fisheries or cool water fisheries, more  
4 typical of what was in the reservoir systems to  
5 begin with or in the Tennessee River system to begin  
6 with. Those apply at certain other dams. A list of  
7 those standards and which apply to which dams is in  
8 the environmental impact statement.

9                   As we looked at those there's  
10 obviously, you know, in the big picture two causes  
11 for why there would be low dissolved oxygen. One  
12 would be that the water released from the dam to  
13 begin with didn't have a lot of oxygen in it. That  
14 usually occurs starting in July and on into the fall

15 months. The other times of the year there's always  
16 plenty of oxygen because the temperatures are  
17 cooler.

18                   The other reason though that --  
19 besides the low oxygen in the water coming from the  
20 dam would be pollution itself that's coming in from  
21 the tail water or too much pollution into the  
22 reservoir to begin with. As we looked at the 16  
23 dams in question, about half of them didn't really  
24 have an appreciable nutrient input in the tail water  
25 area. So the decision and the recommendation to the

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1 board was that we would aerate to standard for those  
2 tail waters.

3                   Then the other half, as we looked at  
4 it, there was significant non-point source pollution  
5 from sources in those tail water areas, and we  
6 didn't think it was there for the people that would  
7 be paying for these improvements, they would  
8 basically aerate and compensate for the people who  
9 were also causing that pollution.

10                   So we targeted four milligrams per  
11 liter rather than five, because they all happened to  
12 be warm water tail waters for those reaches. And  
13 so, to my knowledge, there hasn't been a significant  
14 reduction in those nutrient loadings. We haven't  
15 seen, I don't believe anyway, a decrease in the

16 amount of oxygen that we have to input into those  
17 streams. So that's where it stands today. I think  
18 it's still pretty much in that situation.

19 MR. JIM CREIGHTON: Could you  
20 elaborate on what a non-point source is and give  
21 examples?

22 MR. CHRIS UNGATE: Non-point source  
23 is -- some of the more obvious things are cattle  
24 grazing in streams, using those streams for  
25 discharging of waste, runoff from fields that's

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1 overfertilized where there's no buffer along the  
2 side of the stream.

3 Buffer, by that I mean trees or  
4 shrubs or grasses that can absorb those nutrients.  
5 So those nutrients basically run off into the stream  
6 and then on into the river or the tail water area or  
7 the reservoir, and that's excessive nutrients that  
8 causes a lot of decrease in oxygen.

9 Okay. I guess through questions we  
10 have covered this. That's good.

11 Out of the -- I think it's something  
12 on the order of 200, 210 miles that were affected by  
13 this alternating wetting and drying and tail water  
14 areas, we were able to recover about 180 miles of  
15 those. We improved dissolved oxygen after all of

16 the capital investments at the dams, the different  
17 ways that was done, improved the dissolved oxygen in  
18 about 300 miles of the system.

19 And as a result of doing those  
20 things, the -- there was an improvement not only for  
21 those ecosystems there, but for recreation potential  
22 and riverfront economic development, that primarily  
23 being in Knoxville, which was -- some of the most  
24 severely affected areas were below Cherokee and  
25 others.

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1 Okay. The other major recommendation  
2 of the study was lake level improvements. As a  
3 result of the operations that I described  
4 previously, lake levels in these storage reservoirs  
5 in the upper part of the system would typically peak  
6 out around Memorial Day, that would be the high  
7 point on levels, and then they would come down from  
8 that point on. That was basically metering out the  
9 use of water for minimum flows, for water quality,  
10 for navigation, and for hydropower use throughout  
11 that -- through all the succeeding months to the  
12 point where by January 1st you're down to the flood  
13 control levels and ready to start the system over  
14 again.

15 What was changed was to fill the  
16 lakes more aggressively in the spring, set targets

17 for June 1st and for August 1st to try and succeed  
18 those targets. Our analysis showed that we couldn't  
19 do that all the time. During severe droughts it's  
20 not possible. Roughly 90 percent of the years  
21 you're able to do this and the other ten percent  
22 you're not.

23 Those ten percents are not one year  
24 or every ten years. Usually they will come in  
25 waves. And we haven't had any of that yet, although

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1 it's dry now and we could be on the wave -- starting  
2 a wave like that.

3 If we were below target levels, we  
4 would basically go to minimum releases and minimum  
5 flow requirements that were established in the  
6 previous recommendation. We did establish that if  
7 there were critical power system needs that we could  
8 use extra water to meet those needs rather than  
9 disrupting some customers or employing high cost  
10 resources.

11 At the time this study was done, this  
12 was clearly a time of the vertically integrated  
13 utility with the ways that we operated then. A lot  
14 of the processes that we were seeing now with the  
15 changes in the power systems, some of those -- the  
16 way that is implemented has had to change, but it

17 still basically meets that intended effect.

18 How did we arrive at August 1st?

19 If you're going to blame anybody, you  
20 can blame me, because I was the one who picked that  
21 date. It could have been anyone. It was a number  
22 of things, I suppose. It's really a balance of  
23 multiple forces. And this is a chart directly out  
24 of the study.

25 Why do you want to hold on to the

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1 water longer? That's the way I prefer looking at  
2 it.

3 And the reason why I start a  
4 presentation about this, talking about what the  
5 system does is that what you're talking about is  
6 that you're, in essence, playing God with the water.  
7 You're holding on to water that ordinarily will have  
8 discharged out, and you're holding on to those with  
9 the dams and deciding when you're going to release  
10 it.

11 If you hold on it too long, you're  
12 going to create some problems. So when -- what is  
13 the optimum time for holding on to the water?

14 Well, that's a complex question.  
15 It's not driven by any single operating purpose but  
16 by all of them.

17 Why would you want to hold on to it

18 longer?

19 Well, obviously, as a result of the  
20 study, recreation and tourism in the upper regions  
21 of the system in the tributary areas is a major  
22 influence. Residential development is a separate  
23 part of that, but those people who own land directly  
24 on the shoreline have a vested interest in seeing  
25 those levels up earlier, but it's usually that

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1 parcel directly next to the reservoir, not -- the  
2 residential development issue doesn't extend much  
3 beyond that in terms of land values.

4 There's a lot of indirect economic  
5 benefit that comes from those two forces. Of  
6 course, the scenic view is improved, no brown ring.  
7 The quality of fisheries is improved because you're  
8 holding on to the water a little bit longer, keeping  
9 those levels up. The young of year class fish have  
10 a little more areas on the reservoir shoreline for  
11 cover, and the feeling of the biologist at the time  
12 was that you would have better survival of that  
13 young of year class fish.

14 The navigation on the lower Ohio and  
15 Mississippi Rivers in the dry periods would be  
16 improved.

17 What do I mean by that?

18                   These are the -- this is another  
19     figure from reservoir EIS. It shows the flow coming  
20     out of the mouth of the river for different  
21     alternatives. The August 1st is this dotted line.  
22     The solid line is the way it was at the time.  
23                   You can see that for the time after  
24     August 1st the flow coming out of the mouth of the  
25     river is a little more than it was prior to that.

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1                   Why?  
2                   Because we hold on to the water.  
3     We're getting rid of it to get down to the flood  
4     control levels on January 1st later in the year.  
5     That extra water in a dry year would improve  
6     navigation at the mouth of the river in the lower  
7     Ohio and Mississippi and add incrementally to the  
8     depth.  
9                   On the other hand, flood control and  
10    navigation on the lower Ohio and Mississippi can be  
11    adversely affected if you hold on to the water too  
12    long, particularly in a wet year.  
13                  How is that?  
14                  The dotted line here is the Labor Day  
15    alternative, the October 31st alternative. By the  
16    time you're in this zone, remember that the river  
17    flows north and empties into the Ohio River near  
18    Paducah.



19                   The Ohio River drains a lot of the  
20    area below those Great Lakes.   The lower -- the  
21    upper Mississippi River comes and meets the Ohio  
22    right there close to Paducah at Cairo, Illinois.  It  
23    drains into Minnesota, North Dakota, et cetera, et  
24    cetera.  It has the Missouri basin involved.  Those  
25    areas get cold and the vegetation goes dormant

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1    earlier.  They go into the flood -- or can go to  
2    flood a lot earlier.

3                   If you hold on to the water too long,  
4    you could be trying to empty the Tennessee at the  
5    same time the Corps of Engineers is trying to  
6    control floods up there and trying to pass water  
7    down as quickly as they can to regulate crests.  
8    You'd be complicating the problem.  So there's  
9    clearly a limit of flood control and navigation.

10                  Of course, if you don't use the water  
11    entirely at all in the summer period you won't have  
12    hydropower available in the summer.  That has an  
13    economic impact on the consumers, particularly the  
14    residential consumers because they get the value  
15    from hydropower.

16                  Of course, the difference in  
17    hydropower generation means this is kind of the  
18    average maximum and minimum.  It has a similar

19 pattern in the sense that you hold on to the water  
20 longer. You have kind of lower generation in June  
21 and July and higher in August. The reason why that  
22 is not a significant impact is that the value of  
23 power in the June period is much lower than it is in  
24 July and August so you're -- you're basically  
25 replacing that with lower cost energy in June and

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1 then increasing your hydropower use in August when  
2 costs are higher, the prices are higher. So the  
3 offsetting balance is fairly -- it's almost zero,  
4 but if you hold on to the water to, say, Labor Day  
5 or later, you basically eliminate the use of that  
6 energy in the summer and all your replacement  
7 options are much more expensive.

8 What are those replacement options?

9 Well, in 1990 those replacement  
10 options were thought to be about two-thirds coal  
11 fired generation and one-third gas fired combustion  
12 turbines. You would be emitting more pollution from  
13 those sources in the summertime, which is the worst  
14 time of year to be emitting more.

15 In today's environment that would be  
16 mostly gas. Still it's a fossil fuel. Still you  
17 would have increased emissions in the summer.

18 Another issue in these last two are  
19 not as important as the others, but they are

20 additionally ones that would put a limit on how far  
21 you would -- in time you would hold water, and that  
22 would be the temperature in the tributary lakes.  
23 The more you hold on to that water, the colder it is  
24 relative to the rest of the environment and you  
25 might actually have water too cold for good cold

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1 water fisheries.

2                   Something that we didn't talk about a  
3 lot during the reservoir study that also would be an  
4 issue is -- and this is similar to the plot I showed  
5 you earlier, it's also in the study, Figure 12, but  
6 this is the flow at Chattanooga, which is another  
7 key point in the system.

8                   The longer you hold on to the water,  
9 the lower the flow is in the middle of the system  
10 during the summer. Your assimilative capacity is  
11 also affected by the flow on the river, particularly  
12 in North Alabama it could be a particular problem.  
13 And we have observed the State of Alabama being  
14 particularly interested in that issue as raised in  
15 the State of Georgia over diversions of water on  
16 other rivers to the south of the Tennessee. There's  
17 actually been litigation and quite a bit of activity  
18 on that point in the last decade.

19                   MR. STEPHEN SMITH: Could you --

20 MR. CHRIS UNGATE: And the last  
21 point --

22 MR. STEPHEN SMITH: Chris, I have a  
23 quick question. Can you explain a little bit more?  
24 You say diversions into -- out of the Tennessee  
25 basin?

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1 MR. CHRIS UNGATE: No, not out of the  
2 Tennessee. They were out of the -- I think it's the  
3 Alabama, Coosa, Tallapoosa system into the -- down  
4 into Atlanta, and then be discharged into the -- I  
5 think it's the Apalachicola, Chattahoochee, Flint  
6 system. That was because of a lawsuit by Alabama  
7 against the Mobile District and the State of Georgia  
8 in the '90s, and it's still not resolved.

9 MR. BILL FORSYTH: I have got a  
10 question. On your charts where you show the flow at  
11 October that spikes, what period of time are you  
12 trying to bring the lakes back to the optimum level?  
13 How big a flow is that?

14 MR. CHRIS UNGATE: I guess I don't  
15 completely understand your question. The whole  
16 point is you have to get the levels down to  
17 January 1st flood control by holding on to the water  
18 longer. The reason why it's spiked so high is you  
19 have a limited amount of time to get it down.

20 MR. BILL FORSYTH: Your spike looks

21 like it's over a short period of time and then  
22 levels off?

23 MR. CHRIS UNGATE: Well, let's go  
24 back and look at it. Are you talking about this?

25 MR. BILL FORSYTH: Yes.

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1 MR. CHRIS UNGATE: Well, it levels  
2 off because that's the amount of flow it takes to be  
3 able to release all of the water out of the  
4 reservoirs by January 1st. So this particular level  
5 is what it is because our calculation showed you  
6 need about that much flow, which is 90- to 100,000  
7 CSF to be able to get rid of all of the water in  
8 storage by January 1st. Whereas, if you released it  
9 at Labor Day it's more like about 60- to 70,000 CSF  
10 to be able to release all the water.

11 MR. PHIL COMER: Chris, while you're  
12 on this very point, in 1971 the minimum levels in  
13 the wintertime were increased; in other words,  
14 minimum winter levels were higher than they had been  
15 prior to 1971?

16 MR. CHRIS UNGATE: Right.

17 MR. PHIL COMER: This touches on what  
18 he's asking right now. I have heard two or three  
19 versions as to why that change was made in 1971,  
20 which was, you know, 20 years before the study that

21 Chris is describing now. Do you know why that  
22 change was made in '71?

23 MR. CHRIS UNGATE: There's not a lot  
24 of documentation in the file why it was done, but it  
25 was done. The primary purpose was to give the

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1 reservoirs and the tributary reservoirs a better  
2 chance of filling than they had previously.

3 So they raised the minimum levels,  
4 and the minimum level was an important one because  
5 to be able to go lower than that you had to get  
6 approval as an operator. So by setting that minimum  
7 level they basically would -- I don't think there's  
8 ever been a case where that approval has been  
9 granted, as far as I know. So it would give you a  
10 better shot at filling and keeping the reservoirs up  
11 in the summer.

12 MR. PHIL COMER: I also have heard  
13 correctly or incorrectly that this happened to  
14 coincide with when a sluice gate could be examined  
15 by scuba divers rather than physically lowering  
16 them.

17 MR. CHRIS UNGATE: That's a new one  
18 on me, I hadn't heard that.

19 MR. PHIL COMER: Okay. In terms of  
20 adequate winter storage capacity for flood control  
21 purposes, obviously in 1971 it was decided that the

22 minimum winter levels could be left higher and still  
23 have adequate capacity for flood control storage.  
24 That is a factor that some people feel is still  
25 overly safe.

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1 MR. CHRIS UNGATE: Well, it's --  
2 there's a section in the EIS, Chapter IV, the second  
3 half of it, talks about all of the alternatives that  
4 were considered but not evaluated in detail. That's  
5 a standard section of an environmental impact  
6 statement, and it's a key one as a project manager  
7 because you're limiting the scope of your inquiry  
8 there.

9 And one of the issues that we  
10 addressed there was that we were not going to touch  
11 that one. The primary reason was that there was not  
12 an overwhelming public support when we went through  
13 the public involvement process. It has been  
14 addressed technically by TVA, felt like that was the  
15 appropriate level.

16 I think in '71 there was a judgment  
17 call by the board at that time that perhaps the  
18 original design in the '30s was set a little low,  
19 but a key factor to keep in mind is that even before  
20 they were changed the risk of flooding Chattanooga  
21 is still there. The original design concept was

22 that TVA would build these storage reservoirs and  
23 the City of Chattanooga would build levies.

24 MR. PHIL COMER: There you go.

25 MR. CHRIS UNGATE: And together that

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1 would eliminate the risk of flooding. Chattanooga  
2 never did built the levies. TVA did build the  
3 reservoirs. And as a practical matter we have seen  
4 that severe floods have been -- the incidence of  
5 those have been drastically reduced, but there will  
6 come a day when it will happen, statistically  
7 speaking.

8 Okay. I would like to talk a little  
9 bit about the study process. Again, I am not going  
10 to go into a lot of detail here. I will be glad to  
11 come back to talk about that, if there's a  
12 subcommittee to talk about that.

13 The Charter of the study was very  
14 broad. We were not bound by the TVA Act. We were  
15 allowed to look at any way that you could run this  
16 system different to meet the needs of the public as  
17 identified in the public involvement process with  
18 NEPA, the National Environmental Policy Act.

19 The Charter of the study was, you  
20 know, should water quality and recreation be treated  
21 on equal footing with navigation and flood control  
22 and power? If so, how much does it cost and who



23 ought to pay for it? And we did make  
24 recommendations on those.

25 There were two complementary and

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1 coincident ways we went about this. One was to  
2 fully embrace the public involvement processes that  
3 are outlined in the National Environmental Policy  
4 Act, and we went well beyond the minimum.

5 Just in case you're not aware of what  
6 those are, briefly, you have a scoping process,  
7 which normally includes public meetings to identify  
8 the scope of the inquiry and all the issues that you  
9 need to address. Then you prepare a draft  
10 environmental impact statement doing socioeconomic  
11 analysis, an environmental impact analysis of the  
12 impacts of alternatives. You do public meetings on  
13 that. You produce a final environmental impact  
14 statement, make a recommendation to the  
15 decision-maker. The decision-maker issues a record  
16 of decision and you go on. NEPA does not stipulate  
17 what the answer is. It stipulates the process by  
18 which you get to the answer.

19 We went beyond just holding public  
20 meetings to involving stakeholders and what we call  
21 a quest process during the scoping time period where  
22 we had representatives -- about 60 representatives

23 of various stakeholder interest from the seven  
24 valley states for different interest areas  
25 participate along with TVA staff in identifying

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1 issues and also identifying alternatives. That was  
2 a great aide in writing that Chapter IV to identify  
3 what we would include as recommended areas and what  
4 would be out of scope.

5 We met a lot with various interests  
6 through the whole course of study. I never refused  
7 an offer to go speak to a group and have frequently  
8 assembled groups in different areas to try to get  
9 them involved in the effort.

10 Although, today's process for keeping  
11 the public informed is vastly different. We used  
12 the tabloid newspaper format and kept a mailing list  
13 and kept people informed about what was going on  
14 through that mechanism.

15 In addition to that, we analytically  
16 within TVA went through a very rigorous  
17 environmental impact analysis and a very rigorous  
18 analysis of the power impact cost of the various  
19 alternatives.

20 This issue about considering  
21 uncertainty directly in the water resources area,  
22 it's a frequent habit of water resource agencies to  
23 not address uncertainty, but when they do their

24 economic evaluations use a -- some sort of interest  
25 rate to cover uncertainty, either a high one or a

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1 low one, and you could build a lot of bias into the  
2 answer depending on what interest rate you choose.

3 We rather used an interest rate that  
4 recognized TVA's cost of money and then looked at  
5 uncertainty directly by varying the things that  
6 would vary. Usually the No. 1 variable was  
7 hydrology, how much it rains, and tried to identify  
8 the impacts of those that way.

9 I thought an interesting way of  
10 stepping through the process of the public  
11 involvement process was to go through some news  
12 clips that I kept. My first supervisor during this  
13 study, I went through two of them during the course  
14 of this study, suggested that I keep a news clip  
15 file. I think I turned it into a little report  
16 that's kind of interesting. If you have any  
17 interest at all, this would be the second thing I'd  
18 recommend you look at. I think there are copies in  
19 the TVA Technical Library that could be retrieved.

20 This was -- it's not important to  
21 read the text, just the headlines. This was the  
22 environment at the beginning. This was the Johnson  
23 City Press, TVA's Lake Drawdown Policy Harming

24 Fishing and Tourism.

25 The Atlanta Constitution, The

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1 Troubled Waters of TVA, a Septic Tank on Overload.

2 Is TVA Overpowering the River.

3 Dams Cited in Water Quality Decline.

4 The dates on all of these are the

5 spring of 1987. Fishing in TVA Reservoirs a Toxic

6 Issue.

7 In July Senator Sasser says, TVA Must

8 Make an Effort to Improve Water Quality.

9 What was going on?

10 This is a point Mr. Comer and I were

11 talking about at the break. What really got this

12 study started was water quality and lake levels. We

13 were at the -- during the peak of the drought in the

14 mid '80s, and there were two kinds of issues going

15 on.

16 Senator Sasser spent three weeks

17 during the month of June of 1987 touring the valley

18 and making every effort he could to get TVA to

19 improve water quality and address issues that his

20 constituents felt needed to be addressed.

21 Secondly, Senator Robert Stafford of

22 Vermont, who was the head of the Senate Environment

23 and Public Works Committee, which is one of the TVA

24 oversight committees in the senate, he had a concern

25 that TVA wasn't doing enough, although his primarily

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1 was over how TVA was funding water quality  
2 improvements.

3 TVA was going to the Congress  
4 typically to get that from appropriations, and he  
5 felt that the power revenue should be used for  
6 addressing dissolved oxygen questions. So he was  
7 interested in having that addressed.

8 So Senator Stafford was a Republican  
9 and Senator Sasser was a Democrat, we had kind of a  
10 consensus to do something. So in the fall a TVA  
11 group during the summer set up the ways effort would  
12 be conducted in terms of being done by NEPA and some  
13 of the internal ways it would be put together.

14 I was recruited as the project  
15 manager. We started in October of '87. These were  
16 some of the press comments on the initial  
17 announcement and also the idea that the public  
18 meetings would be starting.

19 TVA May Change Its 50 Year Old Ways.

20 TVA Opening the Idea of a Flood Gate.

21 In Knoxville, if you have ever looked  
22 at the reservoir study, you'll see that we had  
23 something like 800 people come to the first round of  
24 the public meetings. Half of them were in Knoxville

25 at one public meeting.

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1 Mr. Rand (phonetic), who was the  
2 outdoor writer for the News Sentinel almost  
3 single-handedly got those people there because he in  
4 the outdoors portion of the sports section of the  
5 Sunday newspaper, not on the first page but in the  
6 sports section, which is why they have National  
7 Football League, Week 10 up here, he brought those  
8 people out by saying, this is your chance to tell  
9 TVA the way it ought to be done. Primarily those  
10 people came from Cherokee and Douglas, a limited  
11 amount from Norris, and a few around Knoxville to  
12 that meeting.

13 What did people tell us?

14 We're Tired of Low Lake Levels.

15 Water Operations All Wet.

16 TVA -- the board at the time  
17 consisted of Chili Dean as chairman and John Waters  
18 as a director. The other position was vacant at the  
19 time. And Director Waters was really the person on  
20 the board on took the -- kind of spearheaded the  
21 effort and wanted to do something about it.

22 MR. PHIL COMER: He kept a vote on  
23 Douglas Lake at the time, it was one of his key  
24 interests.

25 MR. CHRIS UNGATE: Mr. Waters lives

1 in Sevierville. He was in the habit of December of  
2 every year having kind of a state-of-the-state type  
3 of address, and this was one he gave in 1987.

4 I jumped to the end again to January  
5 of '90. This was the front page of the publication,  
6 but I will mention again the fact that we had used  
7 several different types of groups, engaged them in  
8 the process of putting this overall effort together.

9 In certain of the states various  
10 interests took a more active role. In the State of  
11 Georgia, Governor Zell Miller took a particular  
12 interest in this and directed that his economic  
13 development agency give us some assistance, which I  
14 was glad to accept, and they put together a group of  
15 citizens from three lakes in North Georgia and came  
16 up with some facts and figures for us, which  
17 actually are quoted in the EIS. That was just one  
18 example of the groups that we entertained and  
19 included through the process.

20 During the review process this was  
21 some of the headlines: Study Suggests Improving the  
22 Lakes.

23 Here in North Georgia, with a picture  
24 of a young Chris Ungate, Sleeping Tourism Giant  
25 Would Be Awakened.

1 Director Waters went on a  
2 fact-finding mission and took a barge down the river  
3 and held public meetings of his own with various  
4 groups along the way to listen to hear what they had  
5 to say.

6 After the study was adopted by the  
7 board you will notice a different tone to the  
8 editorials.

9 TVA's Gift to Summer.

10 A New Lake Plan is a Neat Compromise,  
11 that's the Knoxville Journal.

12 Western North Carolina Leaders  
13 Jubilant Over the Lake Levels.

14 Johnson City Press: Public to Come  
15 Out Winner in TVA Project.

16 A Boost for our Lakes.

17 What happened?

18 For those of us who were involved in  
19 the process from the start, particularly those that  
20 were actively involved in some of the groups that we  
21 brought in during the public scoping phase, the  
22 public meetings, there was a decided shift in  
23 perspective that occurred. I just kind of highlight  
24 these here.

25 At the start of the study invariably



1 people talk about their reservoir, their lake, and  
2 they have a focus on that alone. As a result of  
3 going through the effort of staying involved with  
4 this, and we made every effort to keep them  
5 involved, people began to realize it's their river  
6 system and it's part of a larger picture.

7                   At the start of this study lots of  
8 folks talked about optimizing a single purpose. I  
9 hate to pick on you, Mr. Comer, but recreation is  
10 the common one you hear people talking about, but  
11 you do hear -- although distributors at the outset  
12 of the study were not actively involved in it, they  
13 were at the end, they will always be there to remind  
14 you that hydropower is an operating purpose and so  
15 forth.

16                   At the end people, particularly when  
17 you get a banker from Blairesville sitting in the  
18 meeting room with a county executive from Western  
19 Tennessee and a distributor from Mississippi and  
20 they start talking to one another out of earshot of  
21 the TVA staff and exchange their views, they begin  
22 to see the bigger picture. They talk about the  
23 optimal balance of these multiple purposes that  
24 diagram the forces or things of that sort. At the  
25 start of the study people look at conflict as

1 bipolar. The favorite one is, recreation, if it  
2 wasn't for those power guys we would always have  
3 what we want.

4 On the other hand, you begin to see  
5 as you get into this that conflicts are  
6 multifaceted. There's not enough water, never is,  
7 and -- but it is a complex system of natural and  
8 interventions my humans that have to be managed and  
9 you have to resolve those conflicts.

10 Another shift was one that TVA staff  
11 were very frequently aware of. When you talk to  
12 anybody they remember last year, they remember  
13 today, and they're looking forward to next summer,  
14 and the levels are not high enough, but they have a  
15 very limited time perspective.

16 Once they have been through and  
17 started looking at this thing, they realize there  
18 are cycles of drought and flood and if you're going  
19 to make any type of change in how you're managing  
20 things, you have to look at those and understand  
21 what's going to happen if it's in flood; what's  
22 going to happen if it's in drought; what's the best  
23 way to manage this as a single flood policy.

24 MR. PAUL TEAGUE: Chris?

25 MR. CHRIS UNGATE: Yes.

1 MR. PAUL TEAGUE: Has anyone done a  
2 study on the bottom line, recreation versus power?  
3 We're talking about dollars.

4 MR. CHRIS UNGATE: Oh, there's been  
5 lots of studies done, some inside TVA, but mostly  
6 outside by different groups. That's a whole topic  
7 area that we could spend a great deal of time on.

8 MR. PAUL TEAGUE: Well, I don't want  
9 a whole hour's dissertation, I just want to know  
10 what the bottom line is, the amount of money  
11 generated by recreation versus the amount of money  
12 lost by power.

13 MR. CHRIS UNGATE: We initially at  
14 the outset of the study started trying to calculate  
15 those benefits. In fact, I will give you the short  
16 course here. This is not in the prepared slides. I  
17 will have to add it.

18 There's some problems in doing those  
19 types of analyses. One of the problems is that it  
20 usually sets it up in a bipolar arrangement when it  
21 isn't. There are a multitude of factors, some of  
22 them non-quantifiable.

23 It's very difficult to assure that  
24 some benefits have not been double counted. Let me  
25 give you an example. A standard way of calculating

1 recreation value is the contingent valuation method.  
 2 The concept is you put a fence around Douglas Lake  
 3 and you charge admission, how much would you be  
 4 willing to pay to go in if the lake levels are high  
 5 or if the lake levels are low, and then you compare  
 6 the differences and that's the value.

7 Now, how do you put a value on scenic  
 8 resources?

9 Well, my favorite way of thinking  
 10 about that is you're going over I-40 across Douglas  
 11 and if the lake level is up you have to pay a toll,  
 12 if the lake level is whatever it is, you don't pay a  
 13 toll, how much is that worth?

14 We get into these kind of logical  
 15 arguments that are -- that end up confusing you, and  
 16 it's very difficult to determine whether some  
 17 benefits have been double counted or perhaps even  
 18 just omitted.

19 The valuation of those benefits are  
 20 subjective. You have to get into survey research,  
 21 do statistical analysis, a very difficult thing to  
 22 do. It's a whole area -- the whole area of natural  
 23 resource economics is an expensive subject matter  
 24 area.

25 The benefits are not -- are often not

1 real cash flow. You're not talking about real money  
2 being exchanged between parties. If there are some  
3 that are real cash flows, and one that -- there's --  
4 Chapter VII of the EIS talks about different ways  
5 that you could tap into some of these real cash  
6 flows to pay for lake level benefits. Some of those  
7 might be, for example, boating licenses or taxes  
8 from -- property taxes from property owners who are  
9 right on the lake, those kind of things. It's  
10 difficult to tap into those. Those revenues are  
11 usually earmarked for something else. Then it's  
12 very difficult to include externalities and equity  
13 concerns.

14 One of the favorite things that I see  
15 people who do economic benefits that suggest this  
16 bipolar issue of recreation versus power do is they  
17 attempt to calculate the recreation value and then  
18 they add on this indirect benefit, which is a  
19 multiplier that economists use frequently when they  
20 do large area analyses, like regional or state or  
21 national analyses. Then they calculate the power  
22 costs, but they never add that indirect cost  
23 associated with the -- it costs more to do this than  
24 it did before, that's going to ripple through the  
25 economy too. So we end up with an understated power

1 cost and an overstated recreation benefit.

2 The answer to -- a simple answer to  
3 your question is I've never seen a good one done,  
4 personal opinion.

5 MR. PHIL COMER: Chris, on this very  
6 same subject though, I think you were actively  
7 involved 12 months ago in the general accounting  
8 office study on this whole subject, and the general  
9 accounting office -- this is the study that was  
10 published just a year ago, and Chris was involved  
11 when John Hunt and Hamen spent six months within TVA  
12 looking at all of this.

13 Again, that I really arrived at two  
14 conclusions and two recommendations, one was that  
15 there should be more public input into this whole  
16 subject, which let me quickly say, I totally agree  
17 with Chris, when they did this study back in '87 to  
18 '90, there was tremendous public input, as Chris has  
19 said, there really was. Hundreds of people were  
20 involved.

21 The main thing that GAO recommended a  
22 year ago, and quickly admitting that it's very  
23 difficult, as Chris is pointing out just now, one of  
24 their main recommendations is that heretofore in  
25 these studies TVA really calculates the alleged --

1 alleged cost of keeping the tributary lakes up a  
2 little longer, did not really address the benefits,  
3 and Chris is touching on that that's not easy and  
4 that's a difficult thing to try to do, but it isn't  
5 impossible to do.

6 But you agree, Chris, that was  
7 basically one of the two recommendations?

8 MR. CHRIS UNGATE: That's one of the  
9 recommendations. I don't happen to agree with it,  
10 but that's one of the recommendations.

11 MR. PHIL COMER: I understand that.  
12 Naturally you -- I mean, I understand you don't  
13 agree with it, but at the same time it's relatively  
14 important to point out that was a general accounting  
15 office recommendation when Congressman Hillary and  
16 Congressman Jenkins requested the general accounting  
17 office to investigate this.

18 The reason they requested this  
19 investigation was TVA, in the lake improvement plan,  
20 and something trembles in me when I use that term,  
21 because it's -- the environmental impact statement  
22 is the correct name for that study, calculate what  
23 many have come to call unilateral declarations by  
24 TVA of these costs. And TVA has been unwilling,  
25 even to GAO, to really go into detail as to how

1 these costs were arrived at and did not address  
 2 trying to calculate the benefits, that's what GAO  
 3 recommended and that's what still is being asked.

4 MR. CHRIS UNGATE: Okay. I wanted to  
 5 point out one other thing in answer to your  
 6 question, Mr. Teague, one of the -- one of the  
 7 advisory structures that was part of this study was  
 8 a group of external reviewers that are listed in  
 9 the -- EIS page 195. They got together about seven  
 10 times or so, I think, during the course of the  
 11 study, and they were there to advise me and the  
 12 internal managers who were part of the steering  
 13 committee about these methodological issues, such as  
 14 this one, how to address it. There were a number of  
 15 well-known people that were part of this, including  
 16 Alex Raden, who was executive director of APPA, and  
 17 Ruth Ness, who was a former member of the Tennessee  
 18 Conservation League, and a few others.

19 We addressed this question in  
 20 particular. Their advice to me was not to go down  
 21 the trail of trying to do extensive analyses of  
 22 these benefits but rather to rely on the public  
 23 involvement process. Their view was -- in  
 24 particular, we had an expert in the area of public  
 25 involvement named Gail Bingham, who was vice



1 president of the Conservation Foundation at the time  
2 and recognized in this area. Their recommendation  
3 was to identify the real costs. Identify the real  
4 impacts. Describe those as best you can and  
5 publicize those as much as you can.

6                   You will see in the tabloid  
7 newspapers, for example, that were published and in  
8 the EIS some pictures of what rivers look like when  
9 they have minimum flow in them and when they don't,  
10 what lake levels look like when they are high and  
11 when they're low and so forth, and let the public  
12 tell you what they think. They can judge and make  
13 judgments about, is this worth it or not. Here's  
14 what the cost is. Here's what's going to happen.  
15 I'll tell you what I think.

16                   It's very similar, in my view, to the  
17 way we all make large decisions oftentimes about  
18 houses and cars and other things, you take a look at  
19 it and you don't attempt to do a lot of extensive  
20 analysis and turn it into a number which has to be  
21 positive or negative or whatever. You look at that  
22 evidence and you go out and consult the people  
23 involved, and that's exactly what -- the course of  
24 action that we followed and what the board -- the  
25 board was actually at all of the public meetings to

1 hear those comments.

2 Questions?

3 One last slide.

4 MR. STEPHEN SMITH: Chris, I had a  
5 quick question, and hopefully you can -- haven't  
6 already covered this, but is there any other system  
7 in the United States that has anything similar to  
8 what we're grappling with here as far as, you know,  
9 tributaries and reservoirs and the issues of moving  
10 up and down and you have these competing interests  
11 between --

12 MR. CHRIS UNGATE: Almost all of  
13 them. They all have different ways of doing it.  
14 Usually different federal agencies, sometimes state  
15 and local government is involved.

16 MR. STEPHEN SMITH: Is there a model  
17 or success that has been out there that really  
18 stands to be -- worth looking at?

19 MR. CHRIS UNGATE: Well, at the time  
20 this was considered to be that.

21 MR. PHIL COMER: This is the only  
22 integrated system, isn't it, Chris, in this country?

23 MR. CHRIS UNGATE: Integrated to this  
24 degree, yes. I mean, some others are integrated to  
25 a degree.

1 MR. PHIL COMER: But not with the six  
2 factors that TVA has. Lilienthal did a similar  
3 thing in Iran, believe it or not, 30 years after he  
4 left TVA, and they're the only other integrated  
5 system and we don't have a lot of access to that  
6 data from Iran.

7 MR. CHRIS UNGATE: I have been  
8 invited through the years to a lot of groups in  
9 different river systems to talk about this, and  
10 invariably what you get into is the circumstances  
11 are different. The structure of the government is  
12 different. So you have some real political and  
13 sometimes economic things that you have to take into  
14 account. That's why you see different approaches in  
15 different places.

16 MR. STEPHEN SMITH: There's never  
17 been a model established for quantifying the  
18 recreational property economic value versus the --

19 MR. CHRIS UNGATE: No standard model  
20 in the industry, if you will, no, but a lot of  
21 people have attempted to do it in different places.

22 MR. AUSTIN CARROLL: What would be  
23 the closest model, say, in this country to, you  
24 know, all of the constraints that TVA is having to  
25 deal with, even though none are the same, none this

1 integrated, but others that are integrated to some  
2 extent, is there --

3 MR. CHRIS UNGATE: The systems that  
4 are most like ours tend to be other river systems  
5 managed by the Corps of Engineers because they're  
6 primarily there for navigation and flood control and  
7 power like TVA is.

8 So you have the Missouri River  
9 example, you have the Cumberland River example, some  
10 others in the Southeast. In some cases they don't  
11 own the extensive number of dams. In some cases  
12 they are -- in fact, the Tennessee Valley too, there  
13 are other private power developments on the rivers.

14 Some examples where it isn't as good  
15 a comparison would be the Bureau of Reclamation,  
16 which typically has huge reservoirs where they store  
17 water over multiple year periods for private  
18 hydropowers because their dams are usually there for  
19 hydro, not primarily for navigation and flood  
20 control, and so their whole scheme also is  
21 different. Also, they're regulated by an agent --  
22 other agencies of the federal government, whereas,  
23 the other federal hydropower owners are not.

24 MAYOR EDDIE SMITH: Let me ask you a  
25 question. This is a hypothetical. Make an

1 assumption that we could find enough water to keep  
2 the levels up and find the money to do that with and  
3 also find the money to build the levies downstream  
4 to prevent flooding; what other impact would be need  
5 to be considered?

6 MR. CHRIS UNGATE: By that example,  
7 you're also suggesting that when you hold levels up  
8 you're holding levels up a little longer than you're  
9 doing now but not year round?

10 MAYOR EDDIE SMITH: Right.

11 MR. CHRIS UNGATE: You would have to  
12 do a complete environmental impact analysis.  
13 Frankly, you would have to redo what we have been  
14 through again because you have to take into account  
15 ten years of development and new information that's  
16 been brought to bear. It would be hard for me to  
17 predict what that might show.

18 MR. PHIL COMER: One of the factors,  
19 Mayor Smith, is when they made this -- completed  
20 this study and the recommendation in 1990, the  
21 statement was made, and quite correctly, that to  
22 leave the lakes up, and they picked Labor Day, then  
23 jumped to the end of October. For some reason they  
24 didn't pick October 1st, which was an odd omission  
25 to me.

1 But anyway, they calculated that  
2 there would have to be built a new source of  
3 generation, that's Table 28 in here, to compensate  
4 for the delayed generation in the month of August,  
5 and that was a major number that has been bantered  
6 around until just last week, as a matter of fact, as  
7 to what this cost would be.

8 Those calculations, many of us feel,  
9 are seriously flawed from the standpoint of general  
10 accounting principles in terms of what was used for  
11 the depreciation period for that new generating  
12 capacity.

13 No. 2, Watts Bar nuclear plant has  
14 come on-line since that time, so that -- from that  
15 point of view, that extra generating power indeed  
16 has been put in place. With the growth of demand  
17 for electricity, obviously one can continuously say,  
18 ah, but to do this there will still be need for  
19 additional generating capacity here. So the figures  
20 that are in the 1990 study, Chris, I think we both  
21 would agree are, in effect, obsolete on that point,  
22 would you agree with that?

23 MR. CHRIS UNGATE: The power analysis  
24 was predicated on a world that's drastically  
25 different today and you would have to --

1 MR. PHIL COMER: We would both agree  
2 that that was --

3 MR. CHRIS UNGATE: What we did for  
4 the study was revise some of that thinking. If we  
5 did it again we would revise it again because the  
6 power markets are developing quickly.

7 MR. PHIL COMER: One of the  
8 criticisms that GAO made was that in that 1990 study  
9 in projecting what the cost would be to replace that  
10 energy, it was based on projecting pretty accurately  
11 by TVA, no criticism intended for this, but only for  
12 the year 1993, they selected the year 1993 to  
13 project what those costs might be.

14 GAO felt and others have felt that  
15 that should have probably been over a seven- or  
16 ten-year period or something like that. We're  
17 getting into nitpicking here, but this is some of  
18 the area of concern where GAO feels that another  
19 study needs to be made.

20 Let me also add that internally TVA's  
21 own lake level task force, and they use that  
22 terminology as quoted in here, they recommend that a  
23 new study be started, TVA's lake level task force.

24 MAYOR EDDIE SMITH: Chris, what other  
25 real critical issues do you have? I think we have

1 got another report we have got to do.

2 MR. CHRIS UNGATE: I'm done.

3 MR. STEPHEN SMITH: A couple of other  
4 questions. Chris, I was just wondering on the --  
5 when FERC relicensed a private power dam on a public  
6 waterway, there is a very extensive process that  
7 goes through with the relicensing. My sense is that  
8 some of the issues that we're looking at come into  
9 play there, and there's a formula that FERC requires  
10 the licensee to go through.

11 Are there any lessons learned there  
12 or any value or is there any ability to apply some  
13 of -- I mean, they have got to do some of this  
14 economic analysis, I guess, because there's always  
15 competing interests in that context also.

16 MR. CHRIS UNGATE: Yeah. There's a  
17 fairly extensive and time-consuming process that  
18 FERC goes through. It's scheduled over a six-year  
19 period. It's a very long and involved process.  
20 It's designed to do the same thing that the NEPA  
21 process did. The NEPA process that we employed was  
22 far more streamlined and far more open than I find  
23 the typical FERC process, the same issues though.

24 MR. STEPHEN SMITH: The economic  
25 valuation of, say, power versus recreation and those



1 type of things, is there -- there are no formulas  
2 that are available in the FERC process that have --

3 MR. CHRIS UNGATE: I am not aware of  
4 any standard formulas, other than the ones that  
5 consultants typically use to advise clients in that  
6 process. Once again, remember that navigation and  
7 flood control are rarely operating priorities that  
8 FERC has to deal with. They are usually looking  
9 only at hydropower and then environmental recreation  
10 concerns for private hydropower lakes, for the most  
11 part.

12 MR. STEPHEN SMITH: If I am  
13 understanding, one of the issues here is trying to  
14 get a sense of the valuation of power and  
15 recreation, and clearly it is not the overall  
16 driving operational decision-making criteria, but it  
17 seems to me that one of the issues that I keep  
18 hearing brought up is what is the true value of  
19 recreation versus what is the true value of  
20 potential loss of power revenues and how do they  
21 stack up?

22 Clearly, there are other criteria  
23 that come into that, and I guess I am just trying to  
24 grapple with a way of refining that more to where  
25 folks have a better understanding in relative terms

1 about lost power revenues versus potential lost  
2 recreational opportunities.

3 DR. KATE JACKSON: If I could jump  
4 in, and Chris, you can jump in after I do. I think  
5 one of the issues is not lost power generation. It  
6 is the lost value of the economic engine driven by  
7 low rates, very different.

8 So what you're doing is comparing  
9 secondary and tertiary benefits economically of  
10 recreation when, in fact, you don't include those  
11 secondary and tertiary benefits of low cost rates.

12 The issue with the comparison of the  
13 FERC process, licensing process, with the processes  
14 that we use internally, in addition to the fact that  
15 they don't have to consider navigation and flood  
16 control, they also -- investors and utilities do not  
17 have the requirement as does TVA to produce rates at  
18 the lowest feasible costs.

19 So that's one additional --  
20 additional attention that is not required under FERC  
21 license processes. It does not matter, in fact, to  
22 FERC whether rates are a little bit higher or, in  
23 fact, that the shareholders carry a burden of that  
24 cost.

25 In TVA, because we are public power

1 and because our distributed customers are public  
2 power, there is nowhere to access funds to provide  
3 ancillary benefits to the public like recreation  
4 unless the rate payers pay for it. It's a  
5 completely different model than public power.

6 MR. CHRIS UNGATE: The only other  
7 thing I would add is that to get into the details of  
8 how some of these natural resource recreation  
9 benefits are calculated really requires sitting down  
10 with people who do it for a living and understand  
11 the complexity of it and all the problems that you  
12 can get into. Calculating power costs is not an  
13 easy matter either, but it's a little bit,  
14 relatively speaking, more dependable.

15 MS. JULIE HARDIN: Why did  
16 Chattanooga not build that levy? And if Chattanooga  
17 had built that levy, how would this change this  
18 whole system?

19 MR. CHRIS UNGATE: I don't know  
20 exactly why they didn't build it. It would have had  
21 to have been four stories tall, that may be one of  
22 the reasons. I think the -- if they had built them  
23 the flood control issue would be resolved as long as  
24 you maintain the storage in the upstream reservoirs.

25 DR. KATE JACKSON: It would only be

1 resolved in that area. And keep in mind that, as  
2 Chris mentioned, there has been substantive growth  
3 throughout the valley along the river system. Local  
4 zoning has depended upon current flow and current  
5 expectation for floods, and in the ensuing 50-year  
6 period the world looks completely different.

7 MR. PHIL COMER: Chris, one of the  
8 reasons Chattanooga allegedly did not build the  
9 eight dikes -- they did build part one of the eight  
10 they were supposed to build, you know, from 1933  
11 on, you have got to remember at that time we were in  
12 a very severe depression. In all fairness, the  
13 people of Chattanooga were -- the city assemblymen  
14 were facing an added tax burden.

15 The Federal Government was going to  
16 pay 50 percent of the cost, and that 50 percent was  
17 available to the mid '50s when the Federal half was  
18 no longer available. Well, because of the  
19 depression years, plus World War II, the City  
20 Council of Chattanooga just repeatedly voted not to  
21 spend that money, and, in fact, referred people who  
22 lived in the flood plains of Chattanooga to simply  
23 buy flood insurance. They openly advocated that and  
24 recommended that as the alternative, until finally  
25 the money is gone.

1                   The Brainerd levy, which is now a  
2   major walk where Kate used to exercise, is two and a  
3   half miles long and it's only partially built, but  
4   is one of the eight that should have been built. I  
5   think, Chris, that's probably the reason, it was  
6   just economics at the time.

7                   MAYOR EDDIE SMITH: I think in  
8   fairness to our next presenter we're going to need  
9   to bring this to a close on questioning and  
10  discussion so we can hear from Janet.

11                   (Brief recess.)

12                   MS. JANET HERRIN: I'm back. What I  
13   would like to do is kind of take what I talked about  
14   last time, take what Chris talked about, and  
15   hopefully kind of do this, do this, and bring it all  
16   together and see how kind of it all fits together in  
17   that annual operating cycle.

18                   Last time, if you remember -- no.  
19   Last time, if you remember, I kind of went through  
20   each one of the objectives of the system and I  
21   talked about those independently. I talked about  
22   navigation, the benefits, how we went about doing  
23   things, flood damage reduction, hydropower, water  
24   quality, recreation, and water supply.

25                   I also -- next one, please.

1 I also at that time introduced the  
2 idea of the annual operating cycle that Chris  
3 mentioned where we start in the April/May time frame  
4 with the fill, June and July we're holding on to the  
5 water, August through December the release time, and  
6 January through March the store time. I basically  
7 mentioned that, but I didn't go into a lot of detail  
8 about what were we focused on during that time and  
9 what did that translate into the decisions, and  
10 that's what I am going to hope to do. When I said  
11 bring it all together, that's what I am going to  
12 talk to you now about.

13 That's not to say if I am not talking  
14 about one of those objectives we're ignoring it.  
15 What I am going to do is talk to you about each  
16 season of the year and what we're really focused on,  
17 what's the highest priority and how we make those  
18 decisions.

19 Before I get into that, I would like  
20 to talk just a little bit -- again, to refresh your  
21 memory, review a little bit about the rainfall and  
22 the runoff that we have got, because that really  
23 impacts and has a lot to do with the annual  
24 operating cycle.

25 The rainfall patterns are very

1 different in the valley in the winter and in the  
2 summer. In the winter what you see, the fronts --  
3 the winter and spring fronts coming from the west  
4 across the valley, they are very system-wide. They  
5 come in and they kind of hang over and stall out  
6 over the valley, I'm probably telling things you-all  
7 know, and they will hang there in the wintertime for  
8 days at a time really.

9                   Whereas, in the summer we have those  
10 thunderstorm cells that come across. They cover  
11 very small areas. They come in and they rain a  
12 tremendous amount of rain, but it's in a very small  
13 area.

14                   You can be -- I know last week I was  
15 driving home from work, I went through two of those  
16 thunderstorm cells driving home. It was raining  
17 very hard in that area but it didn't take long to  
18 get out of that rainfall. So we have two very  
19 different storm patterns that we're dealing with.

20                   What that translates into, again,  
21 last time I told you 51 inches of rainfall in the  
22 valley on average. We have got about 200 gauges  
23 located throughout the valley that track that  
24 rainfall for us, but what I want to stress is  
25 although we talk about 51 inches across the valley,

1 even in terms of annual rainfall you can see very  
2 much difference throughout the valley.

3 In the west it's relatively flat and  
4 you don't see a lot of variation in the rainfall  
5 amounts, but when you get over into the mountains,  
6 I've got an example here, in North Carolina, at  
7 Highlands, North Carolina, you can see that the  
8 average rainfall there is on the order of 80 to 90  
9 inches a year. Fifty miles away in Asheville the  
10 average rainfall is 35 to 40 inches a year.

11 So while we have 51 inches across the  
12 valley, we can -- particularly in the mountains, you  
13 can see very different amounts of rainfall in those  
14 areas. It's the topography that enters into it.  
15 It's the geography that enters into it, all those  
16 things that enter into it, very mountainous areas.

17 This is a graphics that shows you the  
18 distribution. We talked about the rainfall. Last  
19 time I told you rainfall is important, that's kind  
20 of where it starts, but what's really important to  
21 us is the runoff. That's what gets into the  
22 reservoir. That's what we have available. That's  
23 what creates the floods.

24 What I wanted to show you here,  
25 essentially these are the flood distributions in



1     Chattanooga, again, the primary damage center, and  
2     that's just to show you -- there you see December  
3     through March and into the beginning of April is the  
4     flood season, that's where you have your major  
5     floods.

6                     And as Chris just said, we talk about  
7     the flood damage reduction, December, January,  
8     February, March, and then that rainfall you start to  
9     see over there after mid March in April is what we  
10    then start to collect and use to fill those  
11    reservoirs, because you can see after about mid  
12    April that flood threat changes markedly. You don't  
13    see a lot of those big floods after the April time  
14    frame.

15                    Flood storage allocation, I want  
16    to -- I will make an important point here. Chris  
17    touched on it, the idea of that storage allocation.  
18    The blue bars, the first one in each one of these  
19    cases is the flood storage available in the  
20    Tennessee River system.

21                    And what I want to show you here is  
22    the first set of three bars is January 1st, the  
23    middle set of three bars is middle of March, and the  
24    last are summer. And if you look at the blue bars,  
25    first of all, that's TVA. What you can see is we

1 have -- notice there are three reservoirs. We have  
2 on average six to eight inches of storage available  
3 on January 1st, but when we get to March 15th you  
4 can see that storage that we have available for  
5 floods is decreasing. And when we get out here in  
6 the summer, the last set of three bars there, it's  
7 substantially less.

8 By comparison, the pink bars and  
9 yellow bars here are two systems -- some reservoirs  
10 adjacent. The pink bars are the Cumberland River,  
11 some rivers in the Cumberland reservoir system. The  
12 yellow bars are some reservoirs in Georgia.

13 What you can see essentially in the  
14 Georgia reservoirs is you don't see a real change in  
15 flood control storage. Essentially what they have  
16 in the winter they have in the summer. Chris made  
17 that point when he talked about the reservoir study.

18 In the Cumberland you can see a  
19 little bit of giving up a little bit of that  
20 storage, but still in the Cumberland you can see in  
21 the summer there's a marked difference in the flood  
22 storage that TVA has available and the Corps has  
23 available on those reservoirs.

24 Now, with that information, I would  
25 like to move into the four seasons now and talk

1 about the conditions that are -- and this is  
2 generalization, but the conditions during that  
3 season and our focus. Again, understand if I don't  
4 mention something, it's not that we aren't thinking  
5 about it, it's just not our primary focus during  
6 that time.

7                   So if we start with the January  
8 through March time frame, this is when runoff is the  
9 very highest. This is also the time when the flood  
10 threat is the very highest because the runoff is the  
11 highest. This is a time when we have peak power  
12 demands, but because we do have a lot of runoff the  
13 runoff is available to inflow into the reservoirs  
14 and replace the water that we use to generate  
15 hydropower.

16                   Our main focus this time of the year,  
17 January through March, is to maintain that flood  
18 storage availability. I mentioned the last time  
19 what we do is we operate the system to minimize  
20 flood damages. We will hold the water that we can  
21 up in the tributary reservoirs. We allow the water  
22 to pass out through the main river, and then once  
23 the flood has passed that way, we will release in a  
24 controlled manner the water from the tributary  
25 reservoirs minimizing the flood damage.

1                   A water -- some years minimum flows  
2 are not critical during this -- not as critical  
3 during this time frame, but this year and last year  
4 during the dry periods they have been very, very  
5 important. We have minimum flows for navigation,  
6 river health, and water supply.

7                   In the wintertime there is some  
8 problems with navigation. There will be some areas  
9 on the main river, because the main river reservoirs  
10 are down a little bit lower at that time, where  
11 there are some very -- we can create some problems  
12 for the navigation industry moving the barges up  
13 through the river.

14                  We can also -- although, it's not a  
15 big issue, we do watch the dissolved oxygen, the  
16 water quality during this time to make sure, again,  
17 particularly during dry periods, that we are not  
18 creating water quality issues.

19                  Water supply, particularly the  
20 hydrothermal water supply, this is the water  
21 resource that we use to assist in thermal power  
22 production, the power production at the coal plants  
23 and at the nuclear plants. Again, that is not a big  
24 issue in the winter, but there are times when the  
25 change in temperatures in the river can be impacted.

1 So we're keeping an eye on that and using those  
2 minimum flows sometimes in the winter, in the  
3 January through March time frame, to address the  
4 hydrothermal issues.

5 We also schedule the water that's  
6 available for hydropower production when it is -- in  
7 order to reduce the system cost. Chris talked a lot  
8 about the hydropower being the least cost. I  
9 mentioned it the last time. What we're trying to do  
10 is, in the wintertime at least, you have the peaks  
11 but they are not long peaks, what we want to do is  
12 schedule that water, and especially now when it's  
13 dry, where it does have the most value.

14 Moving then into the April and May  
15 time frame, if you think back to my flood diagram  
16 back in Chattanooga, this is the time frame when the  
17 runoff begins to decrease. The vegetation is  
18 starting to grow. The temperature is increasing.  
19 So you have the runoff beginning to decrease. The  
20 flood threat is still there in the April time frame,  
21 but what we're doing here is, again, trying to  
22 capture that rain as it falls into the reservoir so  
23 that we will have it in the summer time frame.

24 Our main focus during this time is to  
25 aggressively fill the reservoirs so that we can

1 prepare for the annual recreation and hydropower  
2 needs for the summer, the June/July time frame that  
3 I will talk about in just a minute. We want to  
4 maintain minimum flows for navigation, river health  
5 and water supply.

6                   Again, many -- in the dry years like  
7 we're experiencing right now, minimum flows may not  
8 be enough during this fill period because what we've  
9 done essentially is we're trying to capture that  
10 water in the tributaries. We're not putting as much  
11 water through the system. So in a dry year like  
12 this, sometimes that minimum flow is not enough to  
13 maintain the river health and the water supply and  
14 so we may have -- there are times in April and May  
15 where we will have to release more water downstream  
16 to supplement those minimum flows to address the  
17 river health and the water supply.

18                   This year particularly we are very  
19 much monitoring the dissolved oxygen during the  
20 April and May time frame to ensure that we are not  
21 creating water quality problems downstream.

22                   We also during the fish spawning  
23 time, and this is determined at a depth of five  
24 feet, 65-degree Fahrenheit temperature, we stabilize  
25 lake levels, reservoir levels at that time to aide

1 in fish spawning. So each reservoir that comes into  
2 that time we'll try to stabilize the reservoir  
3 levels for a two-week period to aide in spawning.  
4 So that's also a focus in the April and May time  
5 frame.

6 Now, we get into June and July.  
7 Runoff is actually at its lowest point now. The  
8 system-wide flood threat -- now, this is --  
9 remember, system-wide flood threat is low at this  
10 point. Now, that's not to say that you don't hear  
11 about the localized flooding where those  
12 thunderstorm cells move across and dump a tremendous  
13 amount of rain in a small location. I'm talking  
14 about the system-wide flood threat.

15 The reservoir river use is at its  
16 very highest point in the June and July time frame.  
17 There's high power demand during this time. There's  
18 limited interchange capacity. Let me -- I will  
19 explain that.

20 What that means is if we can't  
21 generate and move the power within the valley, we  
22 will have to go outside and buy that power. Do we  
23 have the capability -- is there the capability to  
24 transfer that power, bring that power into the  
25 valley, and we're finding that that can be a real

1 limitation for us. So you have limited your  
2 interchange capacity. You also have high purchase  
3 cost for that power. If you can get it here, it  
4 many times can be very expensive.

5 I would like to take just a minute to  
6 talk a little bit about that, what I just said with  
7 regard to the power demand. We basically see a peak  
8 in a daily cycle -- now, this is very general, but  
9 what we do is we see a peak in the summer at 3:00  
10 p.m. to 7:00 p.m. We have the off-peak -- the  
11 shoulders in the off-peak the rest of the day.

12 We're also finding -- next one,  
13 please.

14 We're also finding that -- Chris  
15 talked about in the beginning we were an area that  
16 had our high use of power in the winter. What we're  
17 finding now is that high use is transferring to the  
18 summer. If you look at your monthly power costs  
19 here, the three spikes, the blue right there, that's  
20 your on-peak cost, you can see that's June, July,  
21 and August. We definitely see a peak in the cost  
22 there, in the June, July, and August time frame.

23 MS. JULIE HARDIN: Is that a new  
24 phenomenon that we're seeing?

25 MS. JANET HERRIN: It's relative -- I



1 mean, it's new from where we started out.

2 MS. JULIE HARDIN: Then we might say  
3 it's global warming.

4 MS. JANET HERRIN: I think it's air  
5 conditioning.

6 MS. MILES MENNELL: It's global  
7 cooling.

8 MS. JULIE HARDIN: I see. The  
9 winters are less cold.

10 MR. PHIL COMER: The demands for air  
11 conditioning.

12 MS. JANET HERRIN: I personally think  
13 it's the air conditioning, that we've seen the  
14 increase in the air conditioning. When Chris  
15 talked, you know, in the early days there wasn't air  
16 conditioning. It was -- it was light longer. You  
17 didn't have all of those kinds of things. Now we  
18 run home and we turn on all the lights and we sit in  
19 the air conditioning.

20 MR. PHIL COMER: And we put our  
21 sweater on.

22 MS. JANET HERRIN: Put our sweater on  
23 and turn on the air conditioning, absolutely.

24 MR. STEPHEN SMITH: The trends though  
25 are -- I mean, clearly in the last two decades the

1 temperatures have been increased, there's no doubt  
2 about that.

3 MS. JULIE HARDIN: Thank you, Steve.

4 MS. JANET HERRIN: Okay. During this  
5 time frame from a river operations' focus, what  
6 we're looking on -- at is having our reservoirs full  
7 by June 1 and maintaining those levels, the lake  
8 levels to the August 1 target.

9 We are very much focused on minimum  
10 flows for navigation, river health, and water  
11 supply. Navigation, generally, we have a situation  
12 that we -- except for Kentucky in the June and July  
13 time frame, we usually are pretty good with regard  
14 to minimum flows for navigation, but the minimum  
15 flows for river health and the minimum flows for  
16 water supply become very important during this time.

17 I mentioned briefly the hydrothermal  
18 situation. I want to talk a little bit more about  
19 that, because in the June and July time frame,  
20 that's when the use -- the availability of the water  
21 for hydrothermal is very, very important.

22 We have temperature limits in our  
23 permits for intake, discharge, and instream  
24 temperatures, and in those -- in those cases where  
25 we cannot meet those temperatures we will have to

1 derate or actually take units off-line.

2                   So it's very important to have the  
3 water supply available. When we talk about  
4 hydrothermal, that's what we're talking about, is  
5 having the water available to be able to help  
6 maintain those -- help address and maintain those  
7 temperature limits at the fossil plants, as well as  
8 the nuclear plants.

9                   When we talk about --

10                  DR. KATE JACKSON: Explain derate.

11                  MS. JANET HERRIN: I will let you go  
12 ahead and do that.

13                  DR. KATE JACKSON: I just wanted  
14 Janet to tell you what derating means. What  
15 derating means is that you turn -- essentially turn  
16 the boiler down so that you're putting less power  
17 out so you're having to use river water for cooling  
18 less so that you don't violate your thermal permit  
19 requirements with the state.

20                  So what you do is you essentially get  
21 less power out of the power plants because of  
22 thermal requirements. So to the extent that the  
23 river has an opportunity to pulse colder water down  
24 you will either have fewer derates, you won't have  
25 to turn units off or you won't have to turn

1 expensive cooling towers on. So it's a mechanism to  
2 keep power rates low and supply the load.

3 MS. JANET HERRIN: Thank you. I  
4 couldn't hear exactly what you were saying. Okay.  
5 So that's essentially how we're using the system.  
6 That's how we're using -- to address the  
7 hydrothermal issues at the fossil and nuclear  
8 plants.

9 Another thing we're very focused  
10 on --

11 MR. STEPHEN SMITH: Two quick  
12 questions. I have heard that you can actually move  
13 a block of water down, I mean, is that -- can you --  
14 like if you release in Norris, can you literally  
15 move a block of water down to get it to, say, the  
16 Sequoyah Nuclear Plant and Chickamauga pretty --  
17 almost keeping it unified as it moves?

18 MS. JANET HERRIN: Yeah.

19 MR. STEPHEN SMITH: That's pretty  
20 neat.

21 MS. JANET HERRIN: And it's very  
22 important during this time of the year to have that  
23 water available in Norris and to be able to know --  
24 monitor to know when to release it so that you can  
25 get it downstream to address Bull Run and to address

1 the -- that whole concept. Yeah, absolutely, that's  
2 why we watch it so very carefully and monitor it so  
3 we know -- because there's only a finite amount of  
4 water available, so you want to ration it all the  
5 way through that time frame when the river is warm.

6 MR. STEPHEN SMITH: This is another  
7 mythology that you may be able to correct, but my  
8 understanding is that the cooling towers at Sequoyah  
9 are problematic in the sense that they have --  
10 either they're less efficient or they cost an awful  
11 lot to operate or something because they seem to  
12 rely on the Chickamauga reservoir more for cooling  
13 at Sequoyah than you do at some of the other nuclear  
14 plants.

15 DR. KATE JACKSON: It's not a problem  
16 of design, it's the fact that you have to use some  
17 station power to pump water so that those cooling  
18 towers can work. So what you're doing is getting  
19 less power out of the power plant for the same input  
20 of fuel. So what you'd prefer to do is be able to  
21 use river water without additional cooling because  
22 then you're getting more power out. It's just less  
23 efficient.

24 MR. STEPHEN SMITH: Well, it's  
25 interesting because at the Watts Bar Nuclear Plant

1     cooling towers seems to be constantly running.  
 2     There's a constant plume -- steam plume and it's a  
 3     little different design, whereas, the cooling towers  
 4     at Sequoyah, you don't see them, and I am just  
 5     wondering -- I had understood it was a design issue  
 6     with the cooling towers themselves.

7                     DR. KATE JACKSON: I am not the  
 8     expert.

9                     MR. STEPHEN SMITH: I know that last  
 10    summer --

11                    DR. KATE JACKSON: There's an expert  
 12    in the back nodding his head. You have to come to a  
 13    microphone if you're going to answer. This is Gary  
 14    Mauldin.

15                    MR. GARY MAULDIN: I'm Gary Mauldin.  
 16    I did spend approximately 15 years in a nuclear  
 17    design program. Sequoyah Nuclear towers are sized  
 18    differently, therefore, they are operated  
 19    differently. The way you describe it is almost  
 20    exactly correct, there is frequently constant flow  
 21    through the Watts Bar towers, there's not at  
 22    Sequoyah. Sequoyah also has a little bit tighter  
 23    limitations on thermal output.

24                    MR. STEPHEN SMITH: I think last  
 25    summer there was actually a period of great concern

1 about the thermal temperatures in Chickamauga  
 2 relative to the flows and other things like that. I  
 3 mean, I remember it coming up as an issue and people  
 4 had drawn our attention it to. I don't think there  
 5 was ever a violation, but there was some concern  
 6 about the lack of flow and how the temperatures were  
 7 increasing in Chickamauga.

8 DR. KATE JACKSON: And we are  
 9 concerned on a system-wide basis this year because  
 10 there is less water in the system and the water  
 11 that's there has been there longer, and therefore,  
 12 is warmer. And we have been talking to the states,  
 13 mostly Kentucky, Tennessee, and Alabama about the  
 14 fact that not only will our plants be closer to  
 15 those thermal limits, but, in fact, there may be  
 16 other industries that are closer to their limits.  
 17 So we want to make sure that the environmental  
 18 departments are aware of that.

19 MR. STEPHEN SMITH: Now, have there  
 20 been times where TVA has popped out the top with the  
 21 thermal in recent past?

22 MS. JANET HERRIN: In other words, we  
 23 have had to --

24 MR. STEPHEN SMITH: In other words,  
 25 you, in essence, have violated --

1 MS. JANET HERRIN: We have violated  
2 or we have --

3 MR. STEPHEN SMITH: Or gotten to the  
4 point where --

5 MS. JANET HERRIN: We have derated so  
6 as not to violate, is that what you're asking?

7 MR. STEPHEN SMITH: I'm just  
8 wondering -- I mean, I'm wondering how frequently  
9 this is an issue. I guess back in the late '80s it  
10 sounds like there would have been another dry cycle,  
11 and I am just wondering, I mean, just to give a  
12 sense of how much an issue this is, is this  
13 something you're constantly dealing with?

14 MS. JANET HERRIN: It seems like it.

15 DR. KATE JACKSON: Every summer we  
16 constantly deal with the thermal limits. There have  
17 been occasions over the last several years where we  
18 have either derated plants or we have gone into, you  
19 know, a position where we have got to notify the  
20 state that we are up against that limit or just over  
21 that limit.

22 MAYOR EDDIE SMITH: I'd like to ask  
23 the Council members to hold for the questions and  
24 comments until Janet gets a chance to finish.

25 MS. JANET HERRIN: I'm sorry. I just



1 looked at my watch there. I have only got one more  
2 season. I've got a half one here and one more after  
3 this, so I will move through it.

4 I mentioned monitoring dissolved  
5 oxygen, this becomes a real issue. I would like to  
6 show you a graphic here. This is through the months  
7 of the year along the bottom, and what you see is  
8 the wintertime we have low temperature and got  
9 dissolved oxygen.

10 As you move into the summer and then  
11 into the fall you see kind of the reverse. You see  
12 your temperature increasing and your dissolved  
13 oxygen decreasing. So in the June and July time  
14 frame, this is an issue we want to watch.

15 As we move into the next season, I  
16 will talk more about it because that's actually when  
17 you get to your very troublesome DO season, but it  
18 definitely starts in the June and July time frame.  
19 And in very dry years, as I mentioned in the April  
20 and May time frame, it can even begin to show up --  
21 dissolved oxygen problems can begin to show up  
22 there.

23 The last thing in the June and July  
24 time frame that we're focusing on is the value of  
25 the water use for hydropower. Now, there's -- at

1 this point in time usually you do not get a lot more  
2 runoff into the reservoirs. So what you have  
3 available to you at the beginning of this season is  
4 what you're going to have to work with through June  
5 and July and then into the winter months.

6                   So, yes, there is a slight draw-off  
7 in June and July in the reservoir levels to address  
8 the minimum flow, get the minimum flows downstream  
9 and to generate some of the hydropower, but we very  
10 clearly are focusing on using this limited water  
11 supply when the value is the highest, when we would  
12 have to pay a tremendous amount of money for  
13 replacement power or when we couldn't even get it  
14 here.

15                   So I think it's very important to  
16 realize that there is -- a lot of folks say, well,  
17 wait a minute, you told us that you're holding  
18 reservoir levels in June and July, and now we're  
19 seeing them go down, there is a decrease from the  
20 June level to the August 1 level, and that's why,  
21 it's to address those minimum flows and the  
22 hydropower needs in the June and July time frame.

23                   Now, into our last season, August  
24 through December, the runoff is very low in this  
25 season. It begins to increase -- thinking back to

1 that flood picture, it begins to increase in  
2 December when we move back into the flood season.

3 High power demands, limited  
4 interchange capacity, high purchase cost, the same  
5 kind of thing in the August to September time frame.  
6 We still have a little bit of those summer months  
7 left in this time, so you're shifting from a case  
8 where you have got the high demand and the concerns  
9 like you see in the summer into December.

10 In some ways you move back in  
11 December to the very cold time where you get back  
12 into a second high power demand, so thinking back to  
13 the January through March time frame when I talked  
14 about hydropower there. We also have, as I  
15 mentioned before, the low dissolved oxygen in the  
16 very beginning of this season, which is a real  
17 concern for us.

18 What we're doing in river operations  
19 during this season is preparing the river system for  
20 the winter floods. What we do on August 1st, we  
21 begin the drawdown to bring the reservoir levels  
22 back to their winter flood control level.

23 We release the water as efficiently  
24 and economically as possible. Now, to us efficiency  
25 means we want to get that water through the system

1 without having to spill any water. Spilled water,  
 2 you can't generate with that. So that's efficiency.  
 3 Economy is using it when it's valued the most. So  
 4 those are the two -- as we decide how to move that  
 5 water out of the tributary reservoirs, those are the  
 6 things we're focusing on.

7                   It's also further complicated because  
 8 we have some what we call bottlenecks in the system,  
 9 some plants that only -- that limit the amount of  
 10 water that you can put through that system. So as  
 11 we plan how to release all that water, we have to  
 12 take into account what happens at those bottlenecks.

13                   We may be running those full force,  
 14 we may be doing as much as we can there, and they  
 15 are limiting actually what we can let loose of from  
 16 upstream. So that's taken into account. So, again,  
 17 what we try to do in a very efficient and economical  
 18 way is move that water out of the tributaries  
 19 through the entire system.

20                   We also provide the minimum flows.  
 21 We're back -- you hear that, provide minimum flows  
 22 for navigation, river health, and water supply. The  
 23 hydrothermal conditions, again in the August time  
 24 frame, you have still got the concerns into  
 25 September, but then you begin to see the

1 hydrothermal impacts start to improve as you get  
2 into November and December.

3 We also have some concerns for  
4 navigation on the lower end of the system. I  
5 mentioned when you get -- when you start bringing  
6 the main river reservoirs down to their winter flood  
7 levels, you start bumping up into situations into  
8 the lower end of the river at Kentucky, at Wilson,  
9 where you have problems at the locks. The  
10 navigation industry makes that very clear to us as  
11 we talk to them.

12 And finally, we continue to monitor  
13 the dissolved oxygen and supply oxygen where needed.  
14 This is an example of our weir below South Holston  
15 where we use it both to provide -- to increase  
16 minimum flow, Chris talked about that, as well as to  
17 aerate the water and improve the dissolved oxygen.  
18 That's a whole other topic we can get into, the  
19 reservoir release improvement program and how we go  
20 about doing some of that stuff, we will save that  
21 for another time.

22 So with that, I will close. It's  
23 lunchtime and I will turn it back over.

24 MAYOR EDDIE SMITH: Okay. Thank you  
25 very much, Janet. Do we have any other questions at

1 this time?

2 MR. AUSTIN CARROLL: After August 1,  
3 before you get down to winter pool, is there water  
4 actually spilled that's not run through the  
5 generator?

6 MS. JANET HERRIN: We try our best  
7 not to. There are times, yes, we'll have to spill,  
8 particularly at the bottlenecks, we will have to  
9 move water past those, but we try not to. We try to  
10 put it through every one of those power plants.

11 MR. PHIL COMER: Janet, as an  
12 example, July -- this is a question tied in with  
13 him, in July of 1999 we had the second heaviest  
14 rainfall in 100 years. We had 12.66 inches, this is  
15 from the National Weather Service, I'm not privy to  
16 TVA's internal system of recordkeeping, 12.66 inches  
17 of rain in the month of July, it's four times  
18 normal, four times average. Our lake went up three  
19 feet, Douglas, and Douglas was heavily impacted by  
20 this, as was Cherokee. So from a flood control  
21 standpoint we managed to deal with the second  
22 highest rainfall in the July in 100 years without  
23 any problem.

24 Did you end up having to spill water  
25 last year somewhere in the system because of this

1 abnormal 100 year record?

2 MS. JANET HERRIN: This is Morgan  
3 Goranflo. He works in river scheduling. He's the  
4 expert that can answer that question. He lived it.

5 MR. MORGAN GORANFLO: That amount of  
6 rainfall actually happened at Knoxville. If you go  
7 upstream on the Douglas watershed, they averaged  
8 probably three to four inches. So in the terms of  
9 lake management and having 12.66 inch rainfall at  
10 one station was not a big event. If it had --

11 MR. PHIL COMER: At my weather  
12 station it was 11 and 1/2 inches at my weather  
13 station on Douglas. It was not four inches or three  
14 inches, believe me. I hate to contradict you on  
15 that.

16 MR. JIM CREIGHTON: Did you have to  
17 spill?

18 MR. JACKSON: No, we did not have to  
19 spill.

20 MR. STEPHEN SMITH: The bottlenecks,  
21 are they associated with physical geological  
22 structures associated with the river or are they  
23 more the number of turbines that are built into the  
24 dam structure itself?

25 MS. JANET HERRIN: It's the turbines

1 that are at the projects.

2 MR. STEPHEN SMITH: And I take it  
3 that there's probably been some sort of analysis --  
4 and I don't even know if it's feasible, you can do  
5 something to retrofit to get more -- it may not be  
6 economically worth it, I don't know, but as the cost  
7 of power goes up I'm just wondering if that's been  
8 contemplated so that you could actually get more  
9 through, because I know you-all have done work with  
10 turbines, blades and other things to get oxygen in.

11 MS. JANET HERRIN: Right.

12 MR. STEPHEN SMITH: And I don't know  
13 whether you can get more water through quicker or  
14 something like that with a new design.

15 MS. JANET HERRIN: I am sure --

16 MR. MORGAN GORANFLO: Sometimes you  
17 can. It really depends on the vintage of the  
18 machine and what the new manufacturer can recommend  
19 in terms of when you replace a unit.

20 In terms of adding a unit, the civil  
21 cost, the actual physically finding room in the  
22 structure without losing spillways and so on, we  
23 have looked at that several -- well, we have looked  
24 at that probably in the last 10 to 15 years, and the  
25 cost -- it was nowhere near justifying the cost just



1 because of all of the civil works involved.

2 When we built the dams originally we  
3 built a lot of spare stalls in there, and then by  
4 the early 1950's we had already used all of the  
5 spare stalls, and it's just very expensive to add a  
6 new unit.

7 MR. STEPHEN SMITH: What are the  
8 bottlenecks? Can you name them off the top of your  
9 head?

10 MS. JANET HERRIN: Guntersville,  
11 Alabama.

12 MR. PHIL COMER: Fort Loudon is a  
13 bottleneck compared to what flows into it from the  
14 dams above, according to the lake improvement plan.

15 MS. JANET HERRIN: Would you consider  
16 Fort Loudon a bottleneck?

17 MR. MORGAN GORANFLO: Well, it can be  
18 at certain times. The ones that routinely are the  
19 bottlenecks are Chickamauga, Guntersville,  
20 Nickajack, Appalachia, and Kentucky. Even with the  
21 canal where we can move it over, those are the ones  
22 that normally go into spill first.

23 MR. PHIL COMER: Well, Figure 5 in  
24 the lake improvement plan makes this very clear,  
25 Fort Loudon has 139 megawatts of installed capacity,

1 and what you have got above that coming into it, and  
2 this is part of what you-all very carefully control,  
3 is 135 capability -- installed capacity at Cherokee,  
4 121 at Douglas, 238 at Fontana, you know, so it  
5 obviously is a bottleneck, except for the fact  
6 you-all control it quite well. In terms of  
7 installed capacity, it is a bottleneck. These  
8 numbers are in this book. It's a grand source of  
9 information.

10 MAYOR EDDIE SMITH: Any other  
11 questions? If not, thank you, Janet. You have been  
12 very informative, both you and Chris at this  
13 session.

14 Before we break for a lunch break we  
15 have a couple of announcements to make. One, that  
16 the persons -- when we come back after lunch, we  
17 will have public comments, and those persons who  
18 wish to come before the Council to make public  
19 comments, please fill out the cards and give them  
20 either to Sandy Hill or Kate Marx or some other  
21 members of the staff.

22 Then lunch will be served for the  
23 Council in there where we had breakfast this  
24 morning, and for other members you may get lunch up  
25 in the restaurant area up in front of the building.

1 I think with that, is there anything  
2 else?

3 DR. KATE JACKSON: Chris and Janet  
4 will both be available eating lunch with us if you  
5 would like to ask questions of either of them.

6 MAYOR EDDIE SMITH: We would like for  
7 everybody to be back at 1:00. We'll have about a  
8 45-minute lunch break. Thank you very much.

9 (Lunch recess.)

10 MAYOR EDDIE SMITH: Okay. Well, we  
11 will get started with this session, and this is the  
12 time for public comments on the Council's  
13 activities. As announced in the Federal Register  
14 Notice, we have a special time limit of five minutes  
15 for each presentation. We're going to ask you to  
16 stick to that time limit, please.

17 When you have one minute left I have  
18 asked Jim Creighton to raise up the one-minute sign,  
19 and then when you're time is up he will raise up a  
20 time up sign, so we would ask that you comply with  
21 that today. We'd appreciate it if as a courtesy  
22 that you would at least comply with that time limit.

23 After you are through speaking,  
24 members of the Council may have some questions,  
25 although I would like to ask Council members to ask

1 questions to clarify or for additional information,  
2 not to disagree or argue with the speaker. Council  
3 members, please also be sensitive to the impact your  
4 questions have on the timing.

5 We don't have a whole large number of  
6 cards today. So far I only have one that has been  
7 given to me. There may be others. If there are  
8 other persons who are in the audience who would like  
9 to come before the Council for comments, please give  
10 them to Sandy Hill who is going out.

11 MS. JULIE HARDIN: Sandy, raise your  
12 hand.

13 MAYOR EDDIE SMITH: At this time I  
14 believe we have one person who is a board member of  
15 the Friends of the Southern Cumberland, and the  
16 person's name is Scott May.

17 MR. SCOTT MAY: Friends of South  
18 Cumberland State Recreation area. It's a 501-C-3  
19 organization that was created a number of years ago  
20 to be the support group for the Friends of South  
21 Cumberland -- of the South Cumberland State  
22 Recreation Area, which was located in portions of  
23 Marion County, Grundy County, and Franklin County,  
24 Tennessee. All of that is about 50 miles west of  
25 Chattanooga on top of the Cumberland Plateau where

1 the interstate crosses.

2 I am the immediate past president. I  
3 am a Memphis attorney. I did not think I was going  
4 to be able to come to this meeting because I had  
5 depositions scheduled this afternoon, but as luck  
6 would have it, the depositions got cancelled. I  
7 have fax'd you a letter on June the 16th, which I  
8 hope you received.

9 MAYOR EDDIE SMITH: All Council  
10 members have copies of that.

11 MR. SCOTT MAY: Well, if you have got  
12 that, I really won't reiterate what I've said in  
13 there. It has been -- I have been going to  
14 Monteagle -- I'm 57 years old, and I have been going  
15 there every summer of my entire life. I have three  
16 adult sons, they have all gone there. I have a  
17 sister, and all of her children have gone there.  
18 We're absolutely in love with that part of the  
19 state.

20 I was very happy when the Friends  
21 group was formed and I was asked to join the board  
22 and then served -- I just completed a two-year term  
23 as president of that organization.

24 I will say that I have been very  
25 happy with the cooperation that TVA has given me and

1 the Friends group concerning the Foster Falls Small  
2 Wild Area. It's a 176 tract that TVA probably  
3 obtained ownership because there's a TVA power line  
4 running through there, and with the vision that TVA  
5 has they saw this was a perfect place to do one of  
6 your non-power uses, which was a campground and a  
7 day use parking area.

8                   You have an employee. It's a  
9 seasonally opened campground. Although, the day use  
10 area, I think, is open all year around. It has a  
11 wonderful waterfall. It's the second highest  
12 waterfall in the state. It's about 60 feet tall.

13                   If you-all have not had the  
14 opportunity, you really ought to go and see it  
15 because then you will understand why I personally  
16 and my organization are so concerned that even  
17 though TVA has been a wonderful steward of this  
18 piece of property, you-all are coming under  
19 additional annual pressure to do away with non-power  
20 projects across the board. Obviously, the biggest  
21 hit came with the transfer of the Land Between the  
22 Lakes operation.

23                   In 1995 when the first non-power hit  
24 came on you-all it was announced that this 176 wild  
25 area was going to be closed, and there was a great

1 public outcry and TVA agreed to continue funding it.  
2 I would imagine your annual funding is somewhere  
3 between 100 and 120,000. It may not be quiet that  
4 high.

5                   You just recently renovated the  
6 bathrooms in the camping area for about \$60,000. At  
7 our request, you have now placed two port-a-potties  
8 at the parking lot area. You have agreed to keep  
9 the -- to open the campground earlier in the spring.  
10 It's a wonderful wild flower area, and the  
11 campground wasn't opened until late April, early  
12 May, and you're missing the opportunity for the  
13 campers to come and stay there and explore the wild  
14 flower area.

15                   Also, in the fall it's a very popular  
16 fall colors area, and you were closing the  
17 campground in early November, and now you have  
18 agreed to keep it open until the end of November.  
19 That's all good, and that's why I am saying, we have  
20 found TVA to be very cooperative.

21                   But we're concerned -- this is the  
22 trail heads or one of the two trail heads for the  
23 extremely popular Fiery Gizzard trail. It was  
24 ranked about a year ago by Backpacker magazine as  
25 one of the top 25 trails in the entire country. It

1 runs from Foster Falls on its east to Grundy Forest,  
2 which is operated by the South Cumberland State  
3 Recreation Area, it's in the area of Tracy City on  
4 the west. It's an absolutely marvelous, about a  
5 14-mile, hike. It has several primitive campgrounds  
6 on it. The state park service operates it and  
7 maintains the entire tract. They don't maintain  
8 your campground and small wild area, but they  
9 maintain the entire trail as it connects it.

10 It's an obvious logical transfer or  
11 whether it be fee simple transfer, whether it be  
12 long-term lease, whether it be licensing agreement,  
13 we don't really care. We just don't want to run the  
14 risk of this marvelous area being either closed or  
15 converted into private ownership or private  
16 operator. It works real good and has worked real  
17 good for a number of years under TVA's leadership  
18 and we would hope under the state leadership.

19 For reasons that have never been  
20 explained to me adequately or inadequately,  
21 negotiations began in 1996 between your chairman and  
22 Justin Wilson, who at that time was the head of that  
23 portion of the Tennessee State Government, the  
24 Commissioner of Environment. I don't know and no  
25 one has ever been able to explain to me what



1 happened to the negotiations.

2                   It's my belief that TVA is still  
3 interested in carrying the negotiations forward.  
4 And, of course, if you're familiar with Tennessee  
5 and Tennessee politics right now, we're in the  
6 throws of the Governor wanting to close eight of  
7 these type parks, the ones that don't have golf  
8 courses, the ones that don't have inns. So it  
9 doesn't make a lot of sense for him to come forward  
10 and negotiate heavily with TVA.

11                   At the same time we acquired, meaning  
12 the Friends of South Cumberland, about a month ago a  
13 52-acre tract through which this trail runs. Some  
14 of it runs through state land. Some of it runs  
15 through private property on a day-to-day easement.

16                   The owner of this 52 -- actually, it  
17 ended up being a 55 acre tract -- decided that he  
18 would sell a number of years ago. I drew the option  
19 agreement for the State of Tennessee and gave them  
20 the option at \$500 an acre to acquire this tract of  
21 land. It had some title problems. The title  
22 problems were cured and we thought the property was  
23 going to be closed on early this year by the state  
24 acquiring it.

25                   They got into this, we're trying to

1 get rid of parks, not buying new land. They refused  
2 to complete this purchase. The option agreement  
3 expired. The landowner then decided that once he  
4 got all of this title problem cured up that his land  
5 was worth more than it was. So he put it back on  
6 the market at \$1,000 an acre.

7 We couldn't let it go. So we got  
8 \$30,000 from the access fund out of Boulder,  
9 Colorado, and then we raised -- actually, we raised  
10 \$28,000 in less than four weeks, the Friends of  
11 South Cumberland did.

12 We closed on the sale about three  
13 weeks ago. It was a double closing where we got the  
14 property from Mr. Anderson, the property owner, and  
15 we immediately conveyed it to the State of  
16 Tennessee, gave it to the State to become part of  
17 this trail, that's an indication of our commitment  
18 to this area. The property I am talking about is  
19 about a mile and a half west of Foster Falls Small  
20 Wild Area.

21 I am here today just to attempt to  
22 educate this group as to the importance of this very  
23 small 176 acre property to the people of State of  
24 Tennessee, to the people of the entire southeast  
25 United States. I was overwhelmed with the support

1 that we got.

2 We had a 500 person mailing list, and  
3 we mailed it out -- specifically the land  
4 acquisition, this particular tract, we asked them to  
5 send us \$225 per person. We got a lot of \$225 per  
6 person, that was the divider into 100 people at  
7 that, we got a lot of that. We got a very good  
8 article in the Nashville Tennessean and a very good  
9 article in the Chattanooga paper. It even spoke  
10 nicely about me, that's probably why I think it was  
11 a good article.

12 Based on that, 50 percent of the  
13 funds that we raised came from people that we had no  
14 original contact with. So it must have come either  
15 by word of mouth or from these newspaper articles,  
16 and the money continues to come in today. As I say,  
17 to today we have raised over \$28,000 off of that  
18 fundraising effort, but what that showed me is how  
19 important the people of Tennessee and Georgia and  
20 Alabama, which are the main users of this trail, how  
21 extremely important they thought the trail was, how  
22 extremely important they thought TVA's small wild  
23 area is, and that's the purpose of me being here  
24 today.

25 You have got my letter. This is just

1 additional stuff to the letter, but if you have any  
2 questions of me you can gauge my passion for this,  
3 so I am ready to answer any questions you may have.

4 MAYOR EDDIE SMITH: Okay. Are there  
5 any questions by members of the Council?

6 MR. STEPHEN SMITH: I just wanted to  
7 be real clear, you're interested in -- I take it you  
8 don't understand why the State pulled back, so  
9 you're looking for clarification?

10 MR. SCOTT MAY: I am wanting TVA to  
11 initiate new negotiations, crank this back up again,  
12 that's what I want to see happen.

13 MR. STEPHEN SMITH: And you  
14 understand until after the tax debate is over,  
15 that's probably not going to happen, it's just the  
16 timing of the whole thing.

17 MR. SCOTT MAY: Well, I'm not  
18 expecting you to do it today.

19 MR. STEPHEN SMITH: And then -- and I  
20 take it TVA is not currently -- are you-all still  
21 actively managing this and committed to continuing  
22 to manage it?

23 DR. KATE JACKSON: We are actively  
24 managing it. We are continuing to be committed to  
25 it. We are not interested in transferring it.

1 MR. STEPHEN SMITH: So you basically  
2 want to continue to maintain it?

3 DR. KATE JACKSON: We want to  
4 continue to maintain it. We think it's an important  
5 wild area, we agree with that.

6 MR. SCOTT MAY: How are we going to  
7 pay for the maintenance of it, say, it's 100,000 a  
8 year?

9 DR. KATE JACKSON: The way we pay for  
10 the maintenance of all of our formerly non-power  
11 activities, they are through ratepayer money.

12 MR. SCOTT MAY: Do we anticipate a  
13 problem with this down the road, in other words,  
14 being told by whomever, whoever writes your check,  
15 that you cannot continue to spend power -- quote  
16 power money on non-power activities?

17 DR. KATE JACKSON: We are authorized  
18 by Federal law to spend power money on these  
19 non-power activities.

20 MR. SCOTT MAY: What specifically --  
21 can you cite me to that? That's the first time that  
22 I have heard that.

23 DR. KATE JACKSON: Yep. It is in our  
24 appropriations law as of two years ago. And Barry  
25 is not there. Oh, there he is.

1 MR. BARRY WALTON: If you'll get me  
2 your card, I will get that cite for you.

3 MR. SCOTT MAY: I will.

4 MR. STEPHEN SMITH: So you're not  
5 concerned -- if TVA will remain committed to it,  
6 you're not necessarily wanting to see it go to the  
7 state, you're just afraid if TVA was not committed,  
8 then it would deteriorate, that was your concern?

9 MR. SCOTT MAY: I know as a fact that  
10 in the fall of 1995 when TVA's non-power funding or  
11 when TVA's budget was altered that this was one of  
12 the sites that was scheduled to be closed. I have a  
13 copy of the notice that TVA sent out.

14 There were others, like a bat cave,  
15 Nickajack Cave not far from that, that was  
16 transferred to a little town, I think it's either  
17 South Tennessee or North Alabama, one or the other,  
18 they licensed them and they maintain that little  
19 park there where this cave is on Nickajack.

20 I am sure there are lots of others  
21 that during this post 1995 era have been transferred  
22 out. We probably wouldn't be concerned if this  
23 hadn't been slated as one of the areas to be closed  
24 in the fall of '95, and because of that we haven't  
25 seen that your funding has been modified to assure

1 that TVA will continue to operate it.

2 We have been very thankful, but I  
3 don't know whether this was done because we were  
4 encouraging it, but the bathroom areas had been  
5 allowed to deteriorate significantly and we thought  
6 that that was probably just the first step towards  
7 closure. We complained about that as 501-C-3's have  
8 a tendency to do through their members, and I am  
9 very thankful that TVA funded and did make that  
10 approximate \$60,000 improvement a year or so ago.

11 As I say, Lee Carter and others with  
12 TVA have been very supportive of us. They have come  
13 to our board meetings. We communicate often. And  
14 we have been told by Lee and others that the -- Lee  
15 is, as I understand it, involved in the management  
16 area where this Foster Falls comes under his  
17 purview, but we have been encouraged by that, but  
18 we're also concerned, and, you know, this -- I look  
19 upon on it as a year-to-year type deal, and if we  
20 could ever be convinced that it was greater than a  
21 year-to-year type deal, I think we would lose some  
22 of our concern.

23 MAYOR EDDIE SMITH: Okay. Do we have  
24 any other questions?

25 MS. JULIE HARDIN: Do you feel more

1 convinced now that you have heard what Dr. Jackson  
2 had to say?

3 MR. SCOTT MAY: I heard her say that,  
4 but I don't understand how that could be the case.  
5 Is this the only non-power entity that TVA feels  
6 that way about or do they take that position about  
7 every non-power -- every boat ramp, every park,  
8 everything that you operate?

9 DR. KATE JACKSON: We have committed  
10 to fulfilling our stewardship responsibilities that  
11 were formerly funded with appropriated dollars with  
12 power revenues. Now, that does not mean that we  
13 won't in a going forward basis look for  
14 cost-effective ways to maintain those facilities, if  
15 they are not being used, if they are difficult for  
16 security reasons, there are problems at some of  
17 those remote boat ramps, as you might say, or that  
18 we wouldn't close one of those so that we can  
19 cluster public activity where we can provide greater  
20 amenities, we would consider things like that, but  
21 that would not be because we are not committed to  
22 the stewardship or access to our lands and waters  
23 for the public.

24 MR. SCOTT MAY: Well, this particular  
25 site now has become more developable, I will say,



1 because now a waterline has been extended from Tracy  
 2 City right down the highway right by the TVA  
 3 property. You have got a nice road that comes in,  
 4 and you are starting to get development adjacent to  
 5 it now along the escarpment off the TVA property,  
 6 and so we can see that there's going to be more  
 7 pressure, not less pressure, from developers saying,  
 8 we could take this thing off your hands, we could  
 9 help you out, that type thing.

10 We want you to know how important the  
 11 citizens think this area is. I don't know that you  
 12 have ever had anybody come and address you relative  
 13 to this before, but this is extremely important.  
 14 Obviously by our little fundraiser effort is  
 15 evidence -- the Binwood (phonetic) Foundation out of  
 16 Chattanooga, they granted us \$55,000 for land  
 17 acquisitions in this area, the Lynnwood Foundation  
 18 gave us \$5,000, this was all in the past 12 months.

19 So we continue to raise money to  
 20 acquire the lands that the state park won't acquire  
 21 either because they are not buying or don't want it  
 22 or whatever, but these are all properties that are  
 23 picked out by the park manager and he puts them on a  
 24 Christmas list for us every year, and he and I, as I  
 25 guess the lawyer for him, we end up negotiating and

1 getting options on these properties from time to  
2 time.

3 This particular one, even at \$1,000  
4 an acre, is one of the cheaper properties because  
5 Monteagle Mountain is really seeing a real boom in  
6 development and property that was available at \$500  
7 an acre two years ago is three or \$4,000 an acre  
8 today. It's only going up more and more and more as  
9 people are coming up there, and, you know, that's  
10 the type of pressure that we are fearful of. It's  
11 great for the facility because I am sure it gets  
12 more and more use than it had in the past, but it  
13 also creates the pressure too.

14 MAYOR EDDIE SMITH: Excuse me.

15 MR. SCOTT MAY: Yes.

16 MAYOR EDDIE SMITH: I think if the  
17 Council does not have other questions for you, we  
18 will refer you to our legal counsel, Barry, who will  
19 be able to work with you on that.

20 MR. SCOTT MAY: I appreciate your  
21 time.

22 MAYOR EDDIE SMITH: Okay. Thank you  
23 very much, and we thank you for coming the distance  
24 you have to be here and for your presentations.

25 MR. SCOTT MAY: I didn't really come

1 but about three blocks.

2 MAYOR EDDIE SMITH: Okay.

3 MR. SCOTT MAY: My house up in  
4 Monteagle is a long way away, but not my office, I  
5 am from Memphis.

6 MAYOR EDDIE SMITH: I think that  
7 that's the only public comment that we have. At  
8 this time I would like to recognize one of our  
9 members who is here for the first time, Bob Methany.

10 MR. BOB METHANY: Methany, right.

11 MAYOR EDDIE SMITH: And he has not  
12 had a chance to say anything to the Council before,  
13 so we'll give him a moment or two to do that.

14 Would you do that at this time, Bob?

15 MR. BOB METHANY: Thank you, Mr.  
16 Chairman. Again, like the Chairman said, my name is  
17 Bob Methany. I represent Tennessee Valley Public  
18 Power Association, just like a few other power  
19 distributors sitting around the table.

20 I actually am president and CEO of  
21 Sequatchie Valley Electric Cooperative that serves  
22 the area Mr. May was just talking about, Marion  
23 County, Grundy County, Sequatchie County, Bledsoe,  
24 and part of Van Buren County right west of  
25 Chattanooga.

1                   A couple of -- I guess thinking about  
2   the Council here and my involvement, and I was asked  
3   at lunch, what -- why are you interested in this  
4   committee or why are you interested on this Council,  
5   there are two main issues that I guess I am most  
6   familiar with.

7                   One of them is the rate issue, as was  
8   discussed here earlier just a few minutes ago.  
9   Certainly the ratepayers are paying for facilities,  
10   which in the rest of the country and every other  
11   part of the country, I believe, is paid for by  
12   taxpayer money, that's a real issue with us,  
13   especially when -- and it should be a real issue  
14   with TVA, and I am sure it is, and when and if, and  
15   I don't think it's if, but when deregulation comes  
16   and TVA has to compete, one of the big things they  
17   are going to be competing on is the rates. And if  
18   they are forced to take part of that rate and put it  
19   into a resource stewardship type program, they are  
20   going to be at a disadvantage. So I think that's  
21   one thing which certainly we're interested in and  
22   concerned about.

23                  Also, with this, TVA's wholesale  
24   rates to us -- everybody thinks TVA is cheap, TVA is  
25   not cheap. TVA is about in the middle as far as

1 wholesale rates. So everybody in the rest of the  
2 country thinks, well, TVA is cheap, they can just  
3 take this money, just let them collect more money  
4 and take care of the dams and the recreation and so  
5 forth, that's just not the case at all.

6 I think in the past TVA was a cheaper  
7 and a -- I wouldn't call them cheap, but they were a  
8 low cost power supplier, that's not the case  
9 anymore. Actually, where I come from, we were about  
10 a penny to a penny and a half less for our wholesale  
11 power than what we are here in the State of  
12 Tennessee.

13 The other issue which I am most  
14 familiar with is shoreline development or lack of  
15 it. We talked about earlier and there was  
16 discussion on a lot of, you know, development, and  
17 certainly over the past several years and multi  
18 years there's been all kinds of development.

19 In Marion County, which is where I am  
20 from, this little town called South Pittsburg,  
21 Jasper, those areas, there's been basically no  
22 development along the river. It's owned by TVA.

23 There was a project that was going  
24 through last year, and for some mysterious reason,  
25 right at the end when a contract was just about to

1 be signed, TVA decided that they didn't want  
2 development along the river in Marion County. So we  
3 haven't had the luxury, I guess, as far as  
4 development. And certainly, there's other issues  
5 other than just development, and that's something  
6 which we have to balance.

7 I think I was asked some of the  
8 things two years from now what I would like to see,  
9 if this committee is successful, this Council is  
10 successful, the first thing I think is basic  
11 education.

12 You know, I have been overwhelmed,  
13 and I assume everybody else has, with the  
14 information that has been sent to me. The  
15 information that's been presented today, it's pretty  
16 intimidating and it's pretty overwhelming.

17 Certainly, I want a basic education  
18 on what's going on, and I think that TVA is doing a  
19 good job at that, although, again, it's a little  
20 daunting when we see how much information there is  
21 out there.

22 Another thing is that the process  
23 move along real well. I know we're just getting  
24 started, and certainly the committee, which it looks  
25 like I will ask to be on, we're trying to figure out

1 what we do at the subcommittee level, and I'm sure  
2 that's -- everybody is trying to figure out how does  
3 that come up to the Council level.

4 A respect for others and opinions,  
5 their opinions and their views, and the need for  
6 balance, I hope that the Council sees that as we  
7 proceed forward. Everybody here, whether you want  
8 to admit it or not, is a special interest group,  
9 that's -- you have your own feelings. You have your  
10 own ideas. Certainly we all need to be open to  
11 other ideas, and I think that's key if we're going  
12 to be successful at all.

13 Real input into TVA activities, I  
14 think that, again, it was discussed this morning as  
15 far as public input here at the Council and during  
16 the committees, that if we don't allow that, then  
17 that may not be a good recommendation, it may not be  
18 a full recommendation to TVA.

19 I think TVA, in talking to Kate at  
20 lunch, I think understands that, you know, if we  
21 agree on something by consensus, then TVA pretty  
22 much had better listen to us, within reason, of  
23 course, and certainly there's reasons that they may  
24 not, that they may change our recommendations, but  
25 real input into TVA, not a -- you know, we're

1 spending a lot of money, a lot of time, this sort of  
2 thing, and I think that certainly we want that.

3                   Again, as the nation deregulates its  
4 electric system, whatever that means, and now  
5 there's probably about 25 states or 30 states in the  
6 country that have, Tennessee and this area is  
7 basically one that has not, and it's going to take  
8 national legislation to do that, and it's in the  
9 process, it will probably be a few more years on  
10 that, but as the nation deregulates its electric  
11 system, I think the key to certainly this Council is  
12 the protection of the resources in our area.

13                   We talked about how you pay for them,  
14 that's an issue that we will have to deal with, but  
15 certainly the protection of the resources in our  
16 area. And I think that if we have a lot of input  
17 into that and can have some strong input, not only  
18 to TVA but certainly to our legislative bodies, I  
19 think that would probably be the No. 1 thing if  
20 we're going to succeed as this Council.

21                   With that, I am happy to be here. I  
22 apologize for not being here the last couple of  
23 meetings. I had -- the first one was a conflict,  
24 the second one I had an emergency at the last  
25 minute, and I will be here as much as possible. So



1 with that, Chairman, I go back to you.

2 MAYOR EDDIE SMITH: Thank you very  
3 much, Bob. I would like to ask if any of the  
4 Council members have any questions about any of the  
5 items that were covered on the TVA discussion that  
6 ended just before lunch. We didn't get a chance to  
7 have the questions at the end of that session, if  
8 there are any questions on any of that.

9 MR. PAUL TEAGUE: If that's the only  
10 speaker we have, I would like to ask a question in  
11 reference to what he was talking about.

12 Kate, in a lot of instances, I know  
13 it happened in Decatur County, where they  
14 transferred Beech Bend Park to the county, would  
15 something like that be appropriate in a case like  
16 the gentleman was talking about before?

17 DR. KATE JACKSON: Our position is we  
18 would -- our preference is to hold on to Foster  
19 Falls. It's one of the only off reservoir pieces of  
20 property that remain in the TVA holding. We think  
21 it's an appropriate expenditure of TVA funds. It's  
22 an important piece of public property. So our  
23 preference is to hold on to it.

24 Now, there are cases where we will  
25 provide greater local control for a local recreation

1 facility at a cost advantage to the ratepayer by  
 2 transferring it to a local -- either a local  
 3 government or a private operator. It's cheaper.  
 4 They operate it to TVA guidelines, that's a win/win  
 5 solution. In this particular case I think because  
 6 it has such public benefit, we would be reluctant to  
 7 transfer it.

8 MR. PAUL TEAGUE: Even to a local  
 9 government entity?

10 DR. KATE JACKSON: Yeah, recognizing  
 11 exactly what Mr. May said is that the State of  
 12 Tennessee is under great financial stress and, you  
 13 know, and having some difficulty in the financial  
 14 management of its current recreation properties.

15 That doesn't mean it's completely off  
 16 the table. I mean, certainly, you know, we always  
 17 look for creative alternatives, but my knee jerk  
 18 response to you is we're not interested in  
 19 transferring that.

20 MAYOR EDDIE SMITH: Okay. Any other  
 21 questions?

22 Well, if we don't have any additional  
 23 questions, we have some more educational information  
 24 coming from TVA, something called the National  
 25 Recreational Lake Study, and the presenter for this

1 is Gary Mauldin, and so we will hear him at this  
2 time.

3 MR. GARY MAULDIN: Good afternoon. I  
4 guess you saw the words recreation on there on this  
5 after lunch thing and you were hoping this was going  
6 to be something fun. Well, unfortunately I do have  
7 overheads and you're going to have to listen to me  
8 talk for a little while.

9 My name is Gary Mauldin. As the  
10 Mayor said, I am the TVA representative on an  
11 interagency work group where we're looking at  
12 implementation of the National Recreation Lake  
13 Commission's findings.

14 This working group is comprised of  
15 TVA and the other federal agencies that manage  
16 manmade lakes, if you will allow me to use that  
17 terminology. I say manmade lakes because it is a  
18 little different than the natural lakes, natural  
19 occurring lakes, that's not part of our scope. And  
20 it relates to a lot of the problems that we at TVA  
21 have in regard to the reservoir versus lake and all  
22 of the management that goes along with that.

23 So here's what I want to talk to you  
24 about today. Recreation lakes, how it got started,  
25 the commission itself. We will spend most of our

1 time talking about the study's findings and  
2 recommendations.

3 The commission did a study. Most of  
4 you got a copy of that. I think you all got a copy  
5 of that. I have some copies of the executive  
6 summary with me, if any of you did not bring those.  
7 If you need a copy right now, I have got a few,  
8 probably not enough for everybody, but I can make a  
9 little progress.

10 Does anybody need a copy of this? We  
11 can just pass these around.

12 So we will spend most of our time  
13 talking about what's in that book that's coming  
14 around. Then I want to talk about some legislation.  
15 I know Mr. Carroll talked about the legislation this  
16 morning that had been introduced in regards to this,  
17 so I'll talk about that, and I promise to try to  
18 shut up in time for you to ask me some questions.

19 So to start with how this all got  
20 started. The situation that existed, I will borrow  
21 Kate's word for this, a collision of various  
22 different external influences really created a  
23 problem, things like changes in demands, more people  
24 going, people with different interest going than  
25 what we had originally planned for, aging

1 facilities, most of our -- most of the recreation  
2 facilities around federal lakes were built 30 to 50  
3 years ago. They are getting old. Reduced spending,  
4 appropriations are either flat or declining.

5                   The private sector capital, two  
6 issues there. No. 1, some of the private sector  
7 partners we had previously were running into  
8 financial problems. Then some of the private sector  
9 opportunities that we had, we're running into  
10 problems getting them on board. So it was just the  
11 whole problem of being able to create those  
12 partnerships.

13                   So in November of 1996 legislation  
14 was passed that created this commission, the  
15 Presidential Advisory Commission on Recreational  
16 Lakes. The purposes as outlined in the legislation  
17 itself are what are shown right here. I won't read  
18 all of that to you.

19                   I think the vision that initially  
20 started all of this was sort of a scenic byways kind  
21 of thing. We'd create a system of recreation lakes  
22 that -- and we would promote that. How that exactly  
23 would happen was a bit unknown. So this commission,  
24 in addition to the first three things that are  
25 listed there, was to look to whether it made sense

1 to come up with a system kind of like that for our  
2 federal lakes.

3 So I need to repeat everything that I  
4 have said so far, right?

5 MS. JULIE HARDIN: No. We heard you.

6 MR. GARY MAULDIN: Just kidding.

7 Okay. Here's the people who are on that commission.  
8 Secretary of Interior, Army. Kate was our  
9 representative. Also on there were appointees from  
10 the National Governor's Association, recreation  
11 industry, conservation, local governments, and all  
12 of that. The idea here was you bring all the people  
13 together that you need to have so that you're  
14 representing a cross-section and you have the folks  
15 from the federal agencies who can actually make all  
16 of this happen.

17 Okay. So the commission actually  
18 began work in July of 1998. Here are the goals that  
19 were identified by the commission of the things that  
20 they wanted to try to achieve in the time frame they  
21 had to work. They had six commission meetings.

22 Probably the most important thing  
23 that I would say that happened was the nine  
24 stakeholder workshops. The intent here was to go  
25 around the country, get all of the input that we

1 could glean from various different constituency  
2 groups. The final report, which is what I passed  
3 out, the executive summary of it anyway, was issued  
4 in June of 1999. So far we have just talked about  
5 some data, what it is, how it got started. I think  
6 this is where the good part comes anyway.

7 So what did the commission actually  
8 find after they spent this year?

9 Here are the challenges that they  
10 saw. Infrastructure is aging and has not been  
11 updated. This is the 30 to 50 year old toilet  
12 building out there that we all love to go into on a  
13 nice, hot summer day.

14 Supply is limited but demand is  
15 growing. There's not going to be any more federal  
16 lakes. If there are, there's not going to be many,  
17 I mean, that's just the fact of the matter. So if  
18 you're not going to be creating any more reservoirs  
19 and demand at the same time is growing, you have got  
20 a built-in problem here. Budgets have declined or  
21 remain flat. Managing partners face the same  
22 pressures.

23 One of the situations that all of the  
24 federal agencies have gotten into revolve around how  
25 we try to manage our recreation areas. One of the

1 things that came up just a few moments ago is a  
2 perfect example of that.

3 We have all tried to enter into  
4 partnerships with typically other governmental  
5 entities, states, counties, whatever. Well, they  
6 are having the same problems that the federal  
7 agencies are having. They are having problems  
8 generating money, generating interest, keeping  
9 facilities up-to-date, so they want to turn the  
10 things back, you know. I can't do it, you can have  
11 it back.

12 We actually had that problem happen  
13 to us at TVA. We got some -- or at least one area  
14 given back to us from a county government and we  
15 were fortunate in that we were able to find somebody  
16 else to operate it, but the problem exists.

17 There's a confusing myriad of laws,  
18 blah, blah, blah, what that says is that these  
19 federal agencies that manage federal reservoirs are  
20 governed by different laws, different committees.  
21 You have the Corps of Engineers and the Army, one  
22 committee in Congress. You have got agriculture and  
23 the forest services, a different one. You've got  
24 the Department of Interior, a different one.

25 Nobody has ownership of what we're



1 going to do and how we're going to do it. It's all  
2 very different and it's all very confusing,  
3 especially at the time you want to bring the private  
4 sector in, it drives them crazy.

5                   Lastly, but probably most  
6 importantly, concern for the environmental health of  
7 the lakes, development non-point source runoff, low  
8 DO, those problems that Chris talked about before  
9 that TVA had in the past were very much prevalent in  
10 other federal reservoirs around the country.

11                   I think it also points out just what  
12 I mentioned earlier about the collision of all of  
13 those things. The fact that it's all happening at  
14 the same time really created a problem.

15                   So what conclusions did the  
16 commissioners come up with?

17                   No. 1, this system of federal  
18 reservoirs is a significant national resource and  
19 public benefit. This is pretty much right straight  
20 out of your study. Recreation has not always been  
21 treated as a priority. One of the things that you  
22 saw that Chris presented was that when TVA did the  
23 lake improvement plan, recreation was considered.

24                   Many of the other federal agencies  
25 have not gone through that, especially, I think,

1 more so in the west where these reservoirs are built  
2 for very specific purposes, like irrigation, that's  
3 the usual example. For those folks to take that  
4 water and hold it for recreation or release it so  
5 that you can have rafting or something like that,  
6 they don't go there very often. They'd just as soon  
7 not even talk about that, and they typically just  
8 ignore it.

9 Lack of unifying leadership of  
10 congress I've discussed.

11 Facilities not meeting customers'  
12 expectations, back when most of these things were  
13 built it was a different constituency. Now, you  
14 think about 30 or 40 years ago, a bass boat was a  
15 aluminum boat with a 10-horsepower Johnson outboard  
16 on the back of it. We don't get that much anymore.  
17 We get the 25-foot, 250-horsepower being towed by a  
18 four-wheel drive pickup with an extended cab dually,  
19 you know, and it's just a different constituency.

20 Also, I think we have seen a  
21 specialization of recreation, things like mountain  
22 biking, whitewater rafting, stuff like that is much  
23 more popular nowadays than some of the things that  
24 we have built infrastructure for. That's in  
25 addition to the fact that what we built is getting

1 old and it's very difficult and expensive to  
2 maintain.

3                   Current fees are not successful  
4 revenue generation. A lot of problems have been  
5 associated with that. Some of it applies to TVA,  
6 some not. Some of the other federal agencies were  
7 given permission to charge fees. The idea was you  
8 can take those fees and use them. Well, then  
9 Congress turned around and lowered their  
10 appropriations by the amount that they got in fees.  
11 So, you know, the net -- you're back at net zero, so  
12 it didn't really help.

13                   One of the things that we found is  
14 that the cost of collecting fees can be fairly high  
15 because we have -- you know, these places are  
16 frequently out in the middle of nowhere, so to  
17 speak, and getting out there and collecting money  
18 can sometimes cost you as much as the money that you  
19 collect. So the fee structure that most of us have  
20 looked at really hasn't helped a tremendous amount  
21 in generating money.

22                   More conclusions that the commission  
23 came up with: Meeting demands will require smart,  
24 flexible, and visionary management. It's the  
25 getting out of the box and it's pushing those

1 decisions down to the local level.

2                   At the last working group meeting  
3 that we were in, I said, I have never been a lake  
4 manager. I have never been the guy living in the  
5 cabin out there by the lake and having to make it  
6 happen. Maybe the best thing that we need -- that  
7 we can do is to get those folks figuring out what's  
8 the best -- what are the best ideas?

9                   Expand and improve operating  
10 partnerships: That's bringing in private sector,  
11 they can help in a number of ways, aside from just  
12 the money. They also have operating experience that  
13 we sometimes don't have.

14                   Inconsistent concessionary policies:  
15 I remember talking to the guy from Kampgrounds of  
16 America, KOA, he tried for a year and a half to work  
17 with the Corps to manage a large block of their  
18 campgrounds. After a year and a half he needed to  
19 move his capital somewhere else, you know, the  
20 private sector just couldn't deal with that long of  
21 a lag while the Corps was studying it. I am not  
22 trying to point at the Corps necessarily but saying  
23 that the policies that are in place can be very  
24 cumbersome.

25                   This is one that, I guess, we have

1 spent most of the day talking about, the next one,  
2 which is the integrated reservoir management,  
3 particularly drawdown and flow levels, drawdown  
4 meaning the reservoir side, flow levels being more  
5 the tail water side.

6                   It is particularly important, I  
7 think, that one of the conclusions was that this  
8 integrated way of looking at things is the best way  
9 to deal with recreation. This commission was  
10 charged with looking at recreation. Their  
11 conclusion was integration, looking at all of the  
12 uses, that's what's going to get you to where you  
13 need to be.

14                   Clean water is critical. It's like  
15 the baseline, you know, sometimes we forget that,  
16 but nobody wants to go to a nasty reservoir and do  
17 anything, whether it's swim, fish, boat or whatever.  
18 It's almost like we take that for granted nowadays,  
19 but it is not all that easy to achieve.

20                   Their last conclusion was that this  
21 national system that they were looking at probably  
22 has some merit, but the best thing to do would be to  
23 look at it on a small scale and then let's do some  
24 demonstration or pilots out there and let's see if  
25 this thing will work.

1                   So they got down to the work of  
2     making recommendations, and here are the five  
3     recommendations they came up with. I won't go over  
4     each of the five here because I am going to go over  
5     them in detail, but they categorized after coming up  
6     with their challenges and their conclusions and  
7     doing the work for a year, here's the  
8     recommendations and how they link them together. So  
9     let's just go over these one-by-one. If you have  
10    any questions, please speak up as we go.

11                  Make recreation a higher priority:  
12    This just says, make sure you pay attention to  
13    recreation. And as I said, I think that we  
14    certainly attempt to do that. Our lake improvement  
15    plan did that. Some other federal agencies have not  
16    been able to work through all of those details.

17                  Recommendation No. 2: Energize and  
18    focus lakes, recreation leadership, establish a  
19    leadership council, this one has been done. The  
20    leadership council exists. Kate is our official  
21    representative there, and I am part of the working  
22    group. This is the working group that I said I  
23    belong to when I first got started. So that's  
24    happened, so that's good.

25                  Demonstration and reinvention: The

1 idea here, as I said, was, let's get some pilot  
2 national recreation lakes out there. This is our  
3 highest priority right now on the working group. As  
4 I said before, I think, as do the other members of  
5 the working group, we think that the people who know  
6 the most about this are the people that work at the  
7 local and regional level managing these lakes and  
8 that they will be able to come up with the best  
9 ideas.

10 So we are working to apply for  
11 reinvention lab status for the lakes. What that  
12 does is it allows some of the federal regulations to  
13 be bypassed, some of this fee stuff, and things like  
14 that that we talked about before, and it helps to  
15 empower the local lake managers to do things a  
16 little differently than what they have been  
17 restrained in doing, or from doing is perhaps a  
18 better way of putting it.

19 Recommendation No. 4: Create an  
20 environment for success. Operate lakes to optimize  
21 water use for all beneficial purposes, including  
22 recreational and environmental values. I find it  
23 interesting that this is almost exactly what Chris  
24 put up there as the goals of the lake improvement  
25 plan that TVA started out on. I guess it's obvious

1 I am bragging a little bit. It's not necessarily  
2 the be all and end all, but I think it is a model  
3 that folks can use, and indeed, was put that way in  
4 the report.

5 I think somebody asked the question,  
6 is there a model of success, and as late as 1999  
7 when this report was issued, that methodology that  
8 was used, that TVA used when it did the lake study,  
9 was still pointed to as a model that the rest of the  
10 federal agencies could use.

11 Review current guidelines: This is  
12 about bringing in the private sector, getting them  
13 involved, breaking down some of those barriers.

14 Legislation that restricts cost  
15 sharing: That doesn't imply a great deal to TVA,  
16 but it is a big deal for many of our sister  
17 agencies. And as we work with them in this process,  
18 that can be an element.

19 Encourage partnerships with  
20 non-federal entities: This is to help break that  
21 cycle that we were in before, you know, that we  
22 talked about of building stuff, no appropriations,  
23 you can't maintain it.

24 Inform public users about the mission  
25 history, management, et cetera: This is just trying



1 to get information out there. There are  
 2 thousands -- I guess 1,800 approximately lakes, I  
 3 believe, is the number that's mentioned in that, and  
 4 there's a lot of information -- it could be 17  
 5 something or another. There's a lot of information  
 6 that could be provided to folks to get them there.

7 I was even talking to Stephen about a  
 8 lake that he mentioned that you would think in its  
 9 location near the Smokey Mountains that it would  
 10 have tremendous visitation. It just doesn't happen  
 11 to be a federal lake, but it's typical of the  
 12 situation.

13 Establish recreation performance  
 14 measures: That's hard. We haven't been able to  
 15 figure out a great measure, nor have any of our  
 16 sister federal agencies.

17 Private -- the meeting thing you see  
 18 here at the last is trying to get us all to share  
 19 information with each other, which we're beginning  
 20 to do just a bit.

21 This first one here about the  
 22 recreation of fisheries, the goals of the National  
 23 Recreation Fisheries and the National Recreation  
 24 Lakes is very much tied into the same thing. So the  
 25 recommendation here was, you know, can't you --

1 can't we weave this together and perhaps reduce some  
2 documentation burden or something like that?

3 I mean, we're all trying to achieve  
4 the same thing. And secondly, and I think this is a  
5 very important one, is to encourage agencies to work  
6 with communities. Lake management is a local issue.  
7 Those folks know what they need. They know what  
8 they want. They know what folks are going to use.

9 Recommendation No. 5: Identify and  
10 close the gap, access customer needs, infrastructure  
11 needs, and natural resource capabilities. This gets  
12 to what I talked about before, you know, the user  
13 has changed now. They want different things.  
14 What's out there is getting old. We need to figure  
15 out -- the goal here is not to go and rebuild what  
16 we have. The goal is to figure out what the public  
17 wants and to build that. That may require tearing  
18 down some things that are currently there and  
19 building new, but that's what this recommendation  
20 is, let's take a look at that.

21 Last, very important, improve lake  
22 water quality through a watershed management  
23 approach. Now, you have got to get away from the  
24 reservoir to make any real headway there. Once the  
25 water gets to the reservoir, it's about too late to

1 clean it up. The best way to make progress is to  
2 get away from the shoreline and work there, then you  
3 can make some progress, and that's what this is  
4 saying.

5 So that pretty much covers the study  
6 and the recommendations that came out of the  
7 commission. Now, within the last few months there's  
8 been some legislation proposed that Mr. Carroll  
9 talked about a little earlier, initially proposed by  
10 Mr. Deal from North Georgia and Congressman Taylor  
11 is now cosponsor of the bill. I just want to try to  
12 briefly go over that for you so you know what it  
13 says.

14 The first is to make recreation an  
15 authorized purpose. There is a perception, real or  
16 imagined, on the -- of some federal agencies that  
17 they are not allowed to do -- to consider recreation  
18 because their initial authorization did not have the  
19 R word in it. It was for irrigation or for power or  
20 whatever it was, and therefore, oh, we can't  
21 consider recreation. This bill tries to clarify,  
22 yes, you can use the R word when you talk about a  
23 federal way.

24 It established a demonstration lakes  
25 program. This is the pilot program I talked about

1 before. So what you're saying here, I guess is  
2 obvious, is that this legislation mirrors the  
3 commission's report very closely.

4                   A periodic, periodic being 15 years,  
5 review and revision of operating policy, that's the  
6 lake improvement plan kind of thing, although, I'm  
7 not sure all of the federal agencies see that level  
8 of detail as being what this would require, and  
9 that's an understatement, but anyway, the language  
10 is very similar to this. It's operating review, and  
11 exactly what that means, I'm not sure we all know  
12 exactly.

13                   But anyway, revised cost sharing  
14 requirements: Again, this is the fee thing. There  
15 actually is a law out there now that says -- it  
16 actually doesn't restrict us, but some of the other  
17 federal agencies, for example, cannot build new  
18 facilities without a private sector cost-sharing  
19 partner and that private sector partner must be  
20 willing to do all the O&N, I mean, that creates  
21 quite a burden. If you have specific needs, it  
22 could be a little bit easier to deal with, so this  
23 changes that.

24                   It also authorizes appropriations for  
25 these pilot lakes. Of course, authorization and

1 actually getting the money are sometimes two  
2 different things, but nevertheless, it does specify  
3 \$1,000,000 for a -- \$1,000,000 of appropriations to  
4 be authorized for pilot lakes.

5 And the last thing that it requires  
6 is a status report to Congress on what you're doing.  
7 I guess if they give you \$1,000,000, you know, it's  
8 worth having to write a report about.

9 I tried to hurry so I would have some  
10 time left for questions. I will leave that up  
11 there.

12 Any questions about the national  
13 recreation lakes program?

14 MR. PHIL COMER: Yes. Gary, I have a  
15 question. Were you personally involved in this  
16 particular activity on April the 19th, 1999? Had  
17 you become involved in it at that time?

18 MR. GARY MAULDIN: What activity was  
19 it?

20 MR. PHIL COMER: The National  
21 Recreation Lakes Study Commission.

22 MR. GARY MAULDIN: The commission  
23 meeting, no, I did not attend that meeting.

24 MR. PHIL COMER: Okay. I would like  
25 to point out that President Clinton appointed this

1 commission, and they had their first meeting in July  
2 of 1998. Kate was a member of it, attended the  
3 meetings they had every two months.

4 On April 19th, 1999 that commission  
5 had a meeting in Knoxville, Tennessee, and on the  
6 agenda there was either an hour-and-a-half or a  
7 two-hour period designated, as the law requires,  
8 just as in the case of this Council, that there be a  
9 period set aside for public comments.

10 There was never an announcement,  
11 there was never a news release that appeared in the  
12 Knoxville paper, the Knoxville daily paper about  
13 this opportunity, and I can assure you that there  
14 would have been a large number of people from the  
15 tributary lake areas who would have welcomed an  
16 opportunity to attend this meeting and to make  
17 comments as they have done at our prior two meetings  
18 here. There was never an announcement about this in  
19 the local paper.

20 On inquiring to the editor in chief  
21 and the managing editor of the Knoxville News  
22 Sentinel as to why this was never announced, they  
23 were totally unaware of this until a housewife on  
24 Douglas Lake discovered in the website of the  
25 National Recreation Lake Study the existence of this

1 thing in June, which essentially is the month in  
2 which the final study was issued, but we have been  
3 extremely baffled as to why there was never a public  
4 announcement.

5 Kate, you maybe can shed some light  
6 on that.

7 DR. KATE JACKSON: I'm having  
8 problems remembering exactly what it was. We had  
9 changed the venue of that meeting actually to suit  
10 my ninth month of pregnancy, as I recall, and very  
11 rapidly moved it to Knoxville because I was unable  
12 to travel and the rest of the commission came.

13 The commission itself was responsible  
14 for putting the notice on the website and in the  
15 Federal Register and having news releases, and  
16 beyond that I can't explain where those news  
17 releases went or whether or not the Knoxville News  
18 Sentinel was responsible for putting it in or not  
19 putting it in, but again, the Department of Interior  
20 was responsible for making those public notices and  
21 the designated federal officer was responsible for  
22 issuing press releases, which I can only imagine  
23 went to the Knoxville News Sentinel.

24 MR. PHIL COMER: Most of us don't  
25 subscribe really to the Federal Register.

1 DR. KATE JACKSON: Granted, which is  
2 why they do press releases.

3 MR. PHIL COMER: So we kind of depend  
4 on the Knoxville News Sentinel, being the only daily  
5 paper in Knoxville.

6 MAYOR EDDIE SMITH: I have a question  
7 relative to -- was there any consideration given to  
8 seasonal recreation on lakes, for instance, in  
9 Minnesota you have ice and stuff like that, how  
10 could you -- did you do anything with that?

11 MR. GARY MAULDIN: I'm not sure I  
12 completely understand your question.

13 MAYOR EDDIE SMITH: Well, there are  
14 certain times of the year you can do certain things  
15 on the lake, and I wondered if the study reflected  
16 any of the seasonal kinds of activities that may be  
17 done. For instance, in Minnesota you can ice fish  
18 in the wintertime but you can't in the summertime.

19 MR. GARY MAULDIN: I don't think that  
20 seasonality per se was addressed. What was looked  
21 at is things like infrastructure, which would be  
22 related to that. For instance, the northern lakes  
23 you would think would have infrastructure associated  
24 with them in those activities, but except from that  
25 angle and the fact that demand is growing in general



1 and that there's more specialization, I'm not aware  
2 of any particular seasonality aspects that were  
3 addressed.

4 DR. KATE JACKSON: I think the only  
5 other seasonal aspect was exactly what Janet talked  
6 about a little bit earlier, the water cycle and the  
7 implications that the water cycle has for the  
8 availability of water for different kinds of  
9 recreation.

10 I mean, one of the drivers is about  
11 90 percent of the recreation that happens in the  
12 United States either happens on the water or within  
13 a mile of the water's edge, and because of that,  
14 having water available is critically important. As  
15 that changes throughout the year, that's clearly  
16 important.

17 And the flexibility that was talked  
18 about was, can you within your already statutory  
19 responsibilities and the limitations that that might  
20 provide you have the flexibility to manage a system  
21 in a different way that would allow greater  
22 opportunities for recreation, and that was the  
23 focus.

24 MR. STEPHEN SMITH: Can you explain a  
25 little bit more -- maybe I should ask, if a

1 demonstration lake -- is it that certain lakes would  
2 actually be designated as lakes and they are  
3 spotlighted, so to speak, and focused on or is that  
4 a term that is used generally and applied?

5 In other words, would TVA have one or  
6 two of its lakes become part of a demonstration lake  
7 program and there would be unique things done there  
8 in a model way to try to demonstrate something or is  
9 this just all federal lakes would become part of  
10 some sort of demonstration?

11 MR. GARY MAULDIN: It's your former  
12 example. It is -- the idea was to pick 10 to 15,  
13 perhaps as many 20, lakes throughout the country  
14 with appropriate geographical distribution, unique  
15 attributes, entrepreneurial lake managers, things of  
16 that nature, pick those things out, spotlight them,  
17 to use your word, I think that's a good one, and to  
18 give them the flexibility to do things better and  
19 then come together and say what did we learn and  
20 have that sharing go on.

21 MR. STEPHEN SMITH: Is TVA proposing  
22 to put forth some subset of its lake as part of this  
23 model lake demonstration?

24 MR. GARY MAULDIN: I think that's  
25 part of what we can -- you know, this Council can

1 talk about. I think we have a lot of opportunity to  
2 do that.

3 One of the things that I have  
4 discussed with some of the other agencies is where  
5 we can work together, you know, some obvious places  
6 like around Kentucky, Barkley, LBL area, three  
7 different federal agencies involved there, and we're  
8 all sitting around the table. There are also some  
9 unique reservoirs where we manage a wide variety of  
10 different types of recreation that would be a  
11 possibility. So that -- yeah, I think we need to be  
12 talking about those.

13 MR. STEPHEN SMITH: So TVA currently  
14 doesn't have a subset of its lakes that it's  
15 considering designating as part of the pilot?

16 MR. GARY MAULDIN: No. We're not to  
17 that point yet, Stephen. None of the federal  
18 agencies have done that yet.

19 MR. STEPHEN SMITH: Do you have a  
20 sense of the timing on that?

21 MR. GARY MAULDIN: Yes. By our next  
22 meeting of the working group we're supposed to talk  
23 about that and see if -- who is willing,  
24 approximately how many. We don't want 300 of these  
25 things. We also want more than five. So we're at

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1 the initial planning stage, the working group is.

2 MS. JULIE HARDIN: When is that next  
3 meeting?

4 MR. GARY MAULDIN: We haven't  
5 scheduled it yet. They're normally about six weeks  
6 apart. So I should be about three weeks from my  
7 trip back to Washington, D.C.

8 MR. JIMMY BARNETT: I have a  
9 question.

10 MR. GARY MAULDIN: Sure.

11 MR. JIMMY BARNETT: Looking at the  
12 integrated -- the focuses on the integrated plan, it  
13 shows some pressures that are out there. One of  
14 them is recreation, to increase more recreation,  
15 which would -- if you increase the concern on that  
16 and going back to that integrated program, then  
17 something else could wind up getting hurt, and I'm  
18 not against the recreation, I enjoy the river myself  
19 for recreation, but I think this is another example  
20 on -- in the recreation area of the pressure that's  
21 out there for more use of a scarce resource, which  
22 is a multiuse, multifunctional type of resource.

23 MR. GARY MAULDIN: I would agree with  
24 your statement 100 percent. I will also say that  
25 the commissioners recognize that, and that's why you

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1 see -- in the recommendations, I know I just touched  
2 on them all equally, but there's a good, lengthy  
3 discussion in the thicker book of their recognition  
4 and buy-in, that the integrated approach is the way  
5 to make this happen, that you can't -- you can't  
6 ignore the other uses at the expense of recreation,  
7 it all has to be looked at and considered.

8 Bruce?

9 MR. BRUCE SHUPP: Just to comment on  
10 that. Citizens of the TVA valley and the  
11 stewardship that TVA has demonstrated since its  
12 existence, it's difficult to understand how  
13 different other agencies look at the resources  
14 they're stewards of and the recreation potential for  
15 those resources.

16 I could go on a war story after war  
17 story about agencies, but my favorite one, which you  
18 have got here is, is I spoke at the national meeting  
19 two years ago in Annapolis, the national meeting of  
20 the Corps of Engineers, operations and recreation  
21 group, their national meeting.

22 I followed their general who spoke to  
23 them, and these are all of the guys that manage the  
24 recreation areas and campsites and boat launch  
25 sites, the hands-on guys for the recreation for the

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1 Corps of Engineers system, and he told them how  
2 great they were and what a wonderful job they do.  
3 Then he said, unfortunately, you're not part of our  
4 mission and you never will be. So you are a  
5 byproduct. The wonderful things you do is strictly  
6 a byproduct of our system. Those guys were  
7 absolutely demoralized.

8                   So I was up within minutes after the  
9 general. I said, well, I am here today to tell you  
10 that our mission is to make recreation and  
11 operations one of the four primary missions of the  
12 Corps of Engineers, and I got a standing ovation,  
13 and that's how different these agencies look at  
14 this.

15                   So don't worry about the impacts of  
16 what this is going to mean to TVA. It's not going  
17 to change much as I see it, except some  
18 demonstration lakes possibly, but it's going to have  
19 a major impact on some of these other agencies, the  
20 way they manage their recreation. They just don't  
21 manage it and don't even understand it or want to  
22 comprehend it.

23                   You have to understand that some of  
24 the water management agencies in the west are  
25 governed by boards that oversee their operation who

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1 have one purpose, a one-purpose objective, a  
2 one-purpose focus, like irrigation or water rights  
3 allocation, and there's no recreation within that  
4 water right.

5 MR. PHIL COMER: Or power generation.

6 MR. BRUCE SHUPP: Or power  
7 generation. It's focused mostly at some other  
8 agencies, and I don't see TVA as being a real  
9 violater of recreation in America, that's for sure.

10 DR. KATE JACKSON: Let me follow on  
11 to that, the Corps of Engineers provides more  
12 recreating hours to the public on federal manmade  
13 lakes than all other agencies combined. So even  
14 though the Corps of Engineers believes that it's not  
15 a purpose, they provide more experiences and more  
16 opportunity than any other federal agencies. So  
17 they are clearly an important part.

18 I guess the other thing that I would  
19 say is that there were numerous times during the  
20 commission's deliberations when people would say,  
21 well, you know, the best example of this is where  
22 TVA has or the best integrated approach to this or  
23 the best flexibility is where TVA has, and in  
24 thinking about that a lot, my belief has become that  
25 because TVA is a local agency, it's a regional

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1 agency, it is public power, it is -- it provides  
2 local governments local control, and local input  
3 opportunities that federal agencies managed from  
4 Washington don't provide, and that is a great  
5 benefit to not just the recreating public but the  
6 public in general in this region.

7                   And I'm not from here, I am from  
8 Pittsburgh where there is Corps of Engineers' water,  
9 and there is not the same -- there is not the same  
10 focus on meeting local, although balanced, multiple  
11 output, but local needs for the way we manage the  
12 water and the lands, and that's a really important  
13 difference between TVA.

14                   I believe that that's why we have  
15 done the lake improvement plan, that's why we have  
16 gone there first, because we're regional we are more  
17 responsive to the pressure that is brought, which  
18 is, again, a vote of how important your contribution  
19 is at this important time in TVA's history, that we  
20 need that local input. We need to continue to  
21 evolve our response to changing the needs and  
22 demands and expectations from the public for all of  
23 those options.

24                   MAYOR EDDIE SMITH: Do we have any  
25 more questions for Gary?



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1 MR. AUSTIN CARROLL: I've got just  
2 one question that I meant to ask this morning.  
3 Prior to the implementation of the lake improvement  
4 plan, when was the drawdown started then? It's now  
5 started August 1.

6 MR. PHIL COMER: June 1, Memorial  
7 Day.

8 MR. GARY MAULDIN: Right at Memorial  
9 Day. So it was extended from June to August.

10 MR. STEPHEN SMITH: I have a quick  
11 question for Kate. In the TVA Act flood control,  
12 navigation, power generation are explicitly listed.  
13 Recreation and water quality have become, in  
14 essence, de facto listed, but yet, they are not  
15 explicitly stated in the TVA Act.

16 Is there some advantage at all in --  
17 I mean, I understand that TVA does a better job with  
18 recreation and water quality and seems to be  
19 committed to that, but is there -- I mean, how --  
20 how is that in the mission now in a solid way and  
21 does that -- does the fact that they are not  
22 explicitly mentioned in the Act seem to have much  
23 influence at all? Is there any reason why it would  
24 be advantageous to have it explicitly spelled out?

25 DR. KATE JACKSON: Let me give you my

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1 federal manager hat response to that. The fact that  
2 the Act requires us to respond as a regional  
3 development agency gives us greater flexibility than  
4 any particular mandated provision of output from the  
5 system.

6 Therefore, when recreation began to  
7 be an increasing interest of the public or when  
8 water quality has, we have been able to flexibly  
9 change our operating procedures, maybe not to the  
10 extent that all of the concerned interests would  
11 like, but we can have additional flexibility that if  
12 you said recreation is priority No. 1 and power  
13 production is priority No. 2, you wouldn't have that  
14 same level of flexibility, and I think that's one of  
15 the beauties of the TVA system.

16 And the people that wrote the TVA  
17 Act, I don't know if they were just incredibly smart  
18 or incredibly lucky, but they wrote into the Act  
19 great flexibility. And so within any given moment  
20 we can be flexible, but over time we can expand our  
21 responsibilities or move away from some  
22 responsibilities as those provisions are no longer  
23 needed.

24 MR. PHIL COMER: Kate, are you  
25 specifically referring to the language of social and

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1 economic development of the region?

2 DR. KATE JACKSON: Yep.

3 MR. PHIL COMER: That's what was in  
4 the Act and it's a very broad mandate.

5 DR. KATE JACKSON: It's essentially  
6 the provision of the infrastructure on which  
7 economic development and quality of life are based,  
8 it's that platform, while being responsible to  
9 conserve and preserve. I mean, it's sort of the  
10 1933 version of sustainable development.

11 MAYOR EDDIE SMITH: Okay. Do we have  
12 any other questions? If not, thank you very much,  
13 Gary.

14 Now, we are getting down to the last  
15 item on our agenda. We either can take a 15 minute  
16 break or continue right on through and get through.

17 What is your preference?

18 MS. JULIE HARDIN: Let's move on so  
19 we can get to our airplanes.

20 MAYOR EDDIE SMITH: Continue on so we  
21 can get to our airplanes, is that a consensus? It  
22 seems to be. Okay.

23 This session is getting down to where  
24 we're really dealing with our action plan and what  
25 we are going to do on our next step, and I have

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1     again asked Jim to handle this portion of the  
2     meeting. So, Jim, will you kind of take us through  
3     the next step?

4                     MR. JIM CREIGHTON: My experience  
5     with advisory groups has been -- well, let me go  
6     back. There's kind of a conventional knowledge  
7     among people who work in the process field that when  
8     you start a group they go through four stages.

9                     The first one is called storming,  
10    where people kind of have to stake out their  
11    positions and make speeches and so forth, and then  
12    there's forming as they begin to get organized, and  
13    then there's norming where they begin to establish  
14    expectations, and finally performing where they are  
15    actually getting the work done.

16                    We're kind of moving nicely along  
17    somewhere between the forming and norming kind of  
18    thing. By norming people saddling up to each other  
19    and sharing reaction to each other's performance and  
20    so on, that's all part of that process. So we're  
21    right on track.

22                    Now, watching the progression of  
23    groups like this, my guess would be that soon what  
24    will be happening is that the subcommittees will be  
25    developing products that they want reviewed, that

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1 they'll have some trial stuff they want to run up or  
2 they will want you to be educated about something or  
3 whatever so that those subcommittees themselves will  
4 start to drive the process. So all of the education  
5 stuff and stuff that we're doing and so on will drop  
6 off and instead the subcommittees will determine the  
7 future schedule.

8                   So we're just kind of right now, I  
9 think, in about a two- or three-month period here  
10 before that happens. And throughout the day I have  
11 heard three different options about how we might  
12 proceed. So I want to present three options I have  
13 heard on kind of the next two or three months and  
14 then a couple of options for next month's meeting.

15                   The three options that I heard, one  
16 is just kind of we continue on the same track we  
17 have, which is we would hold monthly meetings with  
18 educational briefings. We have talked about next  
19 month being public lands management, for example,  
20 and we would have subcommittee meetings, and we'd do  
21 that for a month or two and by then we might go to  
22 less frequent meetings or whatever, that's kind of  
23 the track we have been on.

24                   Another is to alternate full Council  
25 meetings with subcommittees. So our meeting next

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1 month might be an all around subcommittee meeting,  
2 the month after would be a full Council, the one  
3 after would be subcommittees, and so on.

4 Another one, and this is certainly --  
5 some people have proposed this for next month, is  
6 that during this two- or three-month period we  
7 essentially use the Council meeting dates for  
8 subcommittee meetings with the ability to have a  
9 planning session at the end of the day where we  
10 share what's happening in the groups and kind of  
11 update and refocus and have direction and so forth.

12 Now, let me show you the two options  
13 for next month because that might determine your  
14 action on those two. The two that I have heard is  
15 variations on what we have been doing. One is that  
16 at least if the tour is a helicopter tour, not  
17 everybody can go at once. So one possibility is  
18 that some of the tour day could also be used for  
19 subcommittee meetings. Then you would proceed to  
20 the agenda that we had originally laid out, which  
21 was a briefing on public lands, plus subcommittee  
22 reports.

23 The other possibility is to use most  
24 of the next meeting day for subcommittee meetings,  
25 and then have a final wrap meeting, and so on, and

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1 in that one, I guess, we essentially would be  
2 bagging the briefing on the public lands management  
3 and leaving that to that committee to take  
4 responsibility for that.

5 MR. BRUCE SHUPP: Could I suggest an  
6 option off of that? And that would be to -- instead  
7 of next month, have one of those options for August  
8 and let the month of July be for the subcommittees  
9 to do their own work and formulate their membership  
10 and some missions and then come back and then bring  
11 that -- the entire group -- their new people into  
12 their subcommittee meetings for one of those two  
13 options.

14 MR. JIM CREIGHTON: Let me make sure  
15 I understand. You're saying really the next two  
16 meetings would be subcommittee focus but the  
17 immediate one would still be the Council members  
18 getting themselves organized.

19 MR. BRUCE SHUPP: No. I am saying  
20 leave the month of July up to the individual  
21 subcommittees to use that month for their  
22 formulation period, for getting their new members on  
23 board, for determining what their mission is going  
24 to be, and then come back with these options for the  
25 month of August.

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1 MR. JIM CREIGHTON: So have no  
2 meeting in July?

3 MR. BRUCE SHUPP: No meeting in July.

4 MR. JIM CREIGHTON: That would be  
5 another alternative.

6 MS. MILES MENNELL: Our integrated  
7 river management subcommittee met, and what we would  
8 like to do, the consensus we came to as a group, we  
9 would like to proceed to meet in Knoxville on  
10 July 27th and 28th, and the 27th, we'd like that to  
11 be a tour day, and on the 28th we'd like for that to  
12 be a subcommittee meeting for our group.

13 So we would like to proceed and we  
14 would be dispensing at that point with the dates of  
15 July 17th and 18th we had talked about before, but  
16 we go ahead and meet and have a formal meeting and  
17 come to Knoxville but it would be for the tour and  
18 then for subcommittee meetings, and that's what we  
19 would like to do next month.

20 MR. JIM CREIGHTON: Would your group  
21 be open to the idea of the last hour be a  
22 planning --

23 MS. MILES MENNELL: Absolutely. I  
24 think that's just good for information exchange.

25 MR. STEPHEN SMITH: I mean, I am



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1 interested in using time for the subcommittees. My  
2 only concern is that the subcommittees will develop  
3 a certain expertise and then they are going to bring  
4 forth recommendations. The subcommittees cannot  
5 make final recommendations. This full Council needs  
6 to be able to respond and grapple with the  
7 recommendations from the subcommittees and then the  
8 full Council makes recommendations.

9 My concern is that whether we do it  
10 in July or do it in August that there still is a  
11 need clearly, and I feel the need personally and I'm  
12 sure others feel the same way, to be educated on  
13 those issues even if they can't necessarily  
14 participate at the subcommittee level.

15 So I would want to find some way to  
16 continue, whether it's every other month or  
17 whatever, to have full committee briefings on these  
18 topics so that when the subcommittees come forward  
19 we are able to deal with and respond to their  
20 recommendations from a position of more knowledge.

21 And while I think probably the most  
22 important business in July is to get the  
23 subcommittees up and running, it may warrant  
24 delaying the educational discussion on public lands  
25 and other issues that we will eventually get briefed

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1 on, but I would not want to see that be permanently  
2 removed from the process because I think that  
3 overall education is vitally important.

4 MR. BILL FORSYTH: I agree with that.  
5 If the full Council doesn't get some education on  
6 these other issues like we have on the integrated  
7 river system, then each subcommittee will have to  
8 spend a lot of time educating us to bring forth  
9 their recommendations.

10 MS. MILES MENNELL: The hope,  
11 Stephen, of our subcommittee was that everyone on  
12 the council would participate in the tour and the  
13 educational activities on the 27th, that we would do  
14 that as a group, but then on the following day  
15 rather than meeting in a Council meeting like this  
16 we would use the bulk of that time to break into our  
17 subcommittees and to meet and do subcommittee work  
18 on that day but that everybody would participate in  
19 the tour and in the educational activities on the  
20 27th.

21 MR. STEPHEN SMITH: Yeah. Well --  
22 and I am completely supportive of that, and I think  
23 the tour -- I mean, there's like two dimensions of  
24 this. There's the sort of external tour, you know,  
25 we're in a helicopter, we're traveling around, we're

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1    seeing stuff hands-on, and then there's the  
2    briefings.

3                    And my sense is that what's going to  
4    happen is that -- I guess all I am suggesting is I  
5    am completely comfortable with what's being proposed  
6    here for July. What I want to make sure is that  
7    there are full Council briefings that are built in  
8    or hardwired into the schedule going forward and  
9    then we don't -- because that was something that we  
10   talked about and I think makes a lot of sense. I am  
11   not advocating that that happen in July, I am just  
12   advocating that it happen in the future, and then we  
13   figure out a way -- I believe getting the  
14   subcommittees up and running is the most important  
15   thing that we can do in July.

16                   MAYOR EDDIE SMITH: I would like to  
17   propose that we use July as suggested, but then that  
18   second day use the morning for subcommittees and  
19   what part of the day prior to that for the  
20   subcommittees and then in the afternoon we could do  
21   the educational thing and whatever Council  
22   activities that we need to do. It seems to me that  
23   a full half day for subcommittees may be adequate, I  
24   don't know, and then use the afternoon for the  
25   educational thing to continue, along with the

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1 Council reacting to whatever the needs are presented  
2 by the committee.

3 MR. JIM CREIGHTON: So some mix of  
4 tour day and downtime on the tour day being used for  
5 subcommittee meetings and the morning of the regular  
6 still --

7 MR. PHIL COMER: We talked about two  
8 very important things on the first day. One is the  
9 helicopter tour of the tributary lakes while they  
10 are full, full, but alternatively the people who are  
11 not on that tour, which I think is now down to what,  
12 a three-hour thing.

13 DR. KATE JACKSON: Three and a half.

14 MR. PHIL COMER: It's equally  
15 important, because I have seen this, but it's  
16 extremely important for the rest of you to see the  
17 forecast control room on the 11th floor, 10th floor,  
18 whatever it is, where the people really manage  
19 miraculously the flow of the water and so forth.

20 MR. JIM CREIGHTON: The implication,  
21 Phil, is that there really isn't free time on that  
22 day.

23 MR. PHIL COMER: Not on that day, but  
24 would you agree, Kate, that that is --

25 DR. KATE JACKSON: I mean, one of the

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1 things that I think we could probably offer is a  
2 switchout of the group and part of the day do the  
3 look and see from above and see some things on the  
4 ground while the other half of the group was doing  
5 the forecast center, and you also have on the table  
6 a request from us for a ten-year plan briefing,  
7 that's the other thing we could do.

8                   At the end of that day -- I mean, I  
9 would suggest that the public lands briefing not be  
10 one of those where the whole group is not together  
11 because I think you learn a lot from each other's  
12 questions. That evening clearly we could do a  
13 public lands briefing somehow.

14                   MR. PAUL TEAGUE: I agree, because I  
15 would like to have the public lands because that is  
16 our committee, and right now I don't feel that I  
17 could spend a full day talking about what we're  
18 going to do when we don't even have our -- all of  
19 our members aboard, and I think it would strictly be  
20 chewing the fat rather than really making any  
21 decisive decisions and discussions. I'm not ready  
22 for a full day subcommittee meeting personally.

23                   MR. JIM CREIGHTON: It sounds like we  
24 may be moving towards a solution where we have -- on  
25 the tour day, there is the tour and the visit to the

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1 control center, those two parts during the day. We  
2 convene late afternoon or evening or something for a  
3 briefing on the public lands management.

4 Most of the day the following day  
5 would be subcommittee meetings with some kind of  
6 planning session towards the end of the day to hear  
7 subcommittee reports. I don't know, Barry, whether  
8 we have any legal obligations for a public comment  
9 period given this thing or not. You're shaking your  
10 head no?

11 MR. BARRY WALTON: No. No. When we  
12 put the notice of our Council meeting, we can choose  
13 to say that there will be no opportunity at that  
14 particular meeting for public comments. The Council  
15 has control over that.

16 MR. JIM CREIGHTON: So we can spell  
17 out this is --

18 MR. PHIL COMER: The public would be  
19 invited to the second day, the planning session in  
20 the afternoon.

21 DR. KATE JACKSON: It would be open  
22 to the public.

23 MS. MILES MENNELL: We could also do  
24 the briefing on public lands on the morning of the  
25 following day instead of the evening and then have

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1 time for some subcommittee meetings and the  
2 planning.

3 MR. PHIL COMER: We don't need --

4 MR. PAUL TEAGUE: Not yet, I agree.

5 DR. KATE JACKSON: The only issue is  
6 that you have got multiple people on multiple  
7 subcommittees.

8 MS. MILES MENNELL: Yes.

9 MR. JIM CREIGHTON: Maybe what we can  
10 do is given this general sense of orientation is let  
11 the staff take on the responsibility of allocating  
12 out the times to try to get in all of those  
13 activities. It may be some mix of the night before  
14 and the morning after or something like that.

15 If we can work it out -- I think what  
16 I am hearing is you do want to do the tour, you do  
17 want to have a briefing on public lands management,  
18 and you want to have subcommittees followed by a  
19 planner.

20 DR. KATE JACKSON: And you don't want  
21 a whole day in the circle again. Got it.

22 MR. JIM CREIGHTON: Is that a fair  
23 summary and then we'll work out the details?

24 MS. MILES MENNELL: One other thing  
25 that our subcommittee talked about, we have pretty

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1 well determined who the three additional members for  
2 our subcommittee is going to be and we want to  
3 include them in that tour because I think it's  
4 important to get them on the same page we are and to  
5 bring them up to speed.

6 MR. PHIL COMER: The only requirement  
7 is those who take the helicopter tour and see the  
8 lakes full for the two months must pre-commit  
9 themselves to come back the third week in September  
10 and see them naked and ugly and muddy. Austin has  
11 promised he will come back.

12 MR. AUSTIN CARROLL: Only if you have  
13 mud wrestling.

14 MR. THOMAS GRIFFITH: If you have mud  
15 wrestling, I will be there too. I am not going to  
16 wrestle, I just want to watch it.

17 MR. JIM CREIGHTON: Al's got a  
18 question.

19 MR. AL MANN: So there's not public  
20 comments in Knoxville?

21 DR. KATE JACKSON: That's what the  
22 Council is contemplating.

23 MR. AL MANN: Because you would have  
24 a lot of that coming up in Knoxville.

25 DR. KATE JACKSON: And I could



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1 foresee that you would be encouraged to come back to  
2 Knoxville to have a meeting where you would provide  
3 an opportunity for public comments, but apparently  
4 Austin has already committed that you will be coming  
5 back.

6 MS. JULIE HARDIN: I sure would like  
7 public comment on something other than lake levels.

8 MR. PHIL COMER: Here. Here. I  
9 agree with you, too, I really do.

10 MR. BILL FORSYTH: In all reality,  
11 Knoxville is the center of the area where most  
12 people would want to make comments on lake levels,  
13 and I think I am fine with the idea of not having  
14 public comments at that meeting, but we ought to  
15 publicize that we will be back in Knoxville for a  
16 time when that can be done or we'll be criticized  
17 heavily.

18 MAYOR EDDIE SMITH: Maybe the  
19 September date, since that's what Phil was asking,  
20 and that's when you get public comments at that  
21 time.

22 MR. JIM CREIGHTON: Let staff work  
23 out the logistics of which activity falls on which  
24 time block, but I think we have got the general  
25 sense of guidance.

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1                   Now, let's talk about the meeting  
2   beyond. Do you want the Council to plan for the  
3   meeting beyond or do you want next month to figure  
4   out what we do the month thereafter?

5                   MR. AL MANN: Wait until next month  
6   to see where we are.

7                   MS. JULIE HARDIN: I think that's a  
8   little premature to plan August.

9                   MAYOR EDDIE SMITH: I would suggest  
10   that maybe after we get past July that really the  
11   Council meeting would be based on recommendations  
12   and action that needs to be done from subcommittees.  
13   Then if there's a need for us to meet to react to  
14   something the subcommittees have worked out, then we  
15   would meet, but if not, you know, then we could kind  
16   of lessen our meetings.

17                  MR. STEPHEN SMITH: The only  
18   possibility that we may want to consider around  
19   that, and I don't know if this is appropriate, but  
20   the issue of dealing with aquatic weeds management  
21   will probably be at its peak in August or sometime  
22   close to it, or I don't know, I'm just assuming  
23   that, and if you don't observe that during that time  
24   frame it may be hard until next year to really fully  
25   appreciate those issues.

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1                   So it might be worth considering at  
2   the August meeting structuring the meeting around --  
3   I don't think a location has been chosen yet for  
4   August, so maybe going down to one of the reservoirs  
5   or near one of the reservoirs that's being impacted  
6   by this and doing some sort of a session -- I mean,  
7   I -- it would be interesting to me to sort of  
8   understand the mechanical harvesting and the spring  
9   and all those kind of things, it might just be  
10  valuable to do that in association with the August  
11  meeting, otherwise, we get kicked out into the next  
12  year.

13                   MR. BILL FORSYTH: I agree with that,  
14  but I think we could pick the place for the meeting  
15  and the themes, but not try to structure the meeting  
16  until July and see where we're going.

17                   MS. MILES MENNELL: I think that's a  
18  great suggestion.

19                   MR. JIM CREIGHTON: The one thing we  
20  need to know now is to identify as soon as we can a  
21  location just because of logistics. The date we  
22  have, it's just the place. And again, staff may be  
23  able to work out a place that has lots of aquatic  
24  growth.

25                   MR. PHIL COMER: Hales Bar.

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1                   MR. JIM CREIGHTON: If you have  
2 suggestions, why don't you feed them into us? They  
3 have to have both aquatic growth and decent hotels.

4                   DR. KATE JACKSON: That might be  
5 mutually exclusive, but we will do our best.

6                   MR. STEPHEN SMITH: You mean we're  
7 not --

8                   MR. THOMAS GRIFFITH: Where are you  
9 thinking for the 28th of August?

10                  MR. JIM CREIGHTON: Did you have any  
11 ideas in August? What kind of locales would be  
12 appropriate for the aquatic growth?

13                  DR. KATE JACKSON: Guntersville.

14                  MR. STEPHEN SMITH: We could stay at  
15 one of the TVA campsites there.

16                  MR. PAUL TEAGUE: To appreciate what  
17 the recreation people live in.

18                  DR. KATE JACKSON: Well, actually you  
19 could stay at Guntersville State Park and see that  
20 50 year old recreation opportunities are not as nice  
21 as the Embassy Suites in Memphis.

22                  MR. JIMMY BARNETT: Do not stay in  
23 the bottom half of the park. The rooms get  
24 mildewed.

25                  MR. JIM CREIGHTON: Let us work on

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1 that and inform you. If you have suggestions,  
2 please get them into us. If I understand it, we  
3 have agreed on what the four topics are for the next  
4 meeting. It will be in Knoxville and we will be  
5 getting to you with a schedule that takes into  
6 account those four things.

7 In August we will try to schedule  
8 near enough to an aquatic growth area that we can  
9 have some education on that, but exactly what the  
10 agenda will be and how it's instructed and so on  
11 we're going to leave up for grabs at least until the  
12 July meeting.

13 Any other -- by the way, I think  
14 implicit in kind of going to this more adaptive  
15 schedule is those -- the two groups that don't have  
16 an official briefing scheduled, the infrastructure  
17 group and the water quality group, may have to make  
18 a recommendation to the Council on when you want a  
19 briefing to take place and maybe even take  
20 responsibility for structuring what the briefing  
21 looks like and who you want to bring in and so  
22 forth.

23 MR. STEPHEN SMITH: It may be  
24 appropriate in August because some of the aquatic  
25 weeds things is somewhat within our bailiwick.

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1 MR. JIM CREIGHTON: I'm sort of  
2 flagging that so that your subcommittee takes on  
3 some responsibility on proposing to the larger group  
4 when it's appropriate and what kind of briefing and  
5 so forth.

6 Is there any next issues we need to  
7 deal with? Eddie, I think we done did it.

8 MAYOR EDDIE SMITH: Okay. We're  
9 really doing it today. I think we're about through,  
10 as far as I can tell, and I would like to express my  
11 appreciation to all of you for your enthusiastic  
12 participation today, and we are looking forward to  
13 seeing you in July in Knoxville. We do encourage  
14 all of you to try to make the 27th so that you will  
15 have a chance to see some of the lake from the  
16 helicopter. With that, I think that I have said  
17 enough.

18 MS. JULIE HARDIN: Chairman, let's  
19 remember to leave these with our name tags.

20 MAYOR EDDIE SMITH: Leave the name  
21 tags, okay. I thought I was going to take mine with  
22 me. Okay. With that, is there anything else?  
23 Kate, do you have anything else? So if there's  
24 nothing else, the meeting is adjourned until July.

25 Thank you very much.

1	END OF MEETING
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## 1 REPORTER'S CERTIFICATE

2  
3 STATE OF TENNESSEE )  
4 : SS.  
5 )

6 I, Kimberly J. Nixon, RPR, the officer  
7 before whom the foregoing cause was taken, do hereby  
8 certify that the persons whose testimony appear in  
9 the foregoing transcript were duly sworn, and that  
10 the testimony of said persons was taken by me in  
11 machine shorthand, and thereafter reduced to  
12 typewriting by me;

13 That the exhibits annexed to this  
14 transcript are the true, accurate and only exhibits  
15 introduced, and that the transcript was prepared  
16 under my supervision, and attached to this  
17 certificate is a true, accurate and complete  
18 transcript, as provided by law;

19 That we are neither counsel for, related  
20 to, nor employed by any of the parties to this  
21 action; and we further certify that we are not a  
22 relative or employee of any attorney or counsel  
23 employed by the parties hereto, nor financially or  
24 otherwise interested in the outcome of this action;  
25 and that the foregoing transcript is complete and  
accurate in all particulars, as provided by law.

17 In witness whereof, I have hereunto set my  
18 hand this\_\_\_\_\_day of\_\_\_\_\_, 2000.

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\_\_\_\_\_  
KIMBERLY J. NIXON, RPR  
NOTARY PUBLIC IN AND FOR THE  
STATE OF TENNESSEE AT LARGE.  
MY COMMISSION EXPIRES APRIL 9,  
2000.



